DOCUMENT RESUME

ED 285 670 PS 016 725

AUTHOR Monroe, Marian; And Others
TITLE Child Day Care Attendance in Fiscal Year 1985.
INSTITUTION Texas State Dept. of Human Resources, Austin.
PUB DATE Oct 86
NOTE 78p.
PUB TYPE Reports - Research/Technical (143)

EDRS PRICE MF01/PC04 Plus Postage.
DESCRIPTORS *Attendance; *Costs; *Day Care Centers; *Delivery Systems; Differences; Enrollment; Questionnaires; Regional Characteristics; *State Programs; State Surveys; Tables (Data)
IDENTIFIERS *Texas

ABSTRACT

In July of 1986, the Legislative Budget Board requested that the Texas Department of Human Services (DHS) provide information concerning the number of absences in DHS-paid child day care during fiscal year 1985, and the costs associated with the absences. To fulfill this request, DHS conducted a study to (1) identify by provider type the numbers and costs of DHS-paid, full-day equivalent units of service provided when enrolled children did not attend; (2) determine the extent to which non-attendance was related to holidays and closings as opposed to children's absences; and (3) analyze variations in attendance patterns by provider type, month, and region. Questionnaires were mailed to all 473 child day care providers who were under contract or agreement; 239 usable questionnaires were returned. Returned questionnaires accounted for 88% of the units purchased by DHS in fiscal year 1985. Findings are discussed in terms of patterns of absenteeism, reasons for absence, co-pay collections and attendance, cost of unattended units, and eligible but unbilled enrollment units. Included with the 12-page report are 21 pages of tables, eight charts, and copies of survey instruments and correspondence. (RH)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED285670

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

X This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

CHILD DAY CARE ATTENDANCE IN FISCAL YEAR 1985

Texas Department of Human Services

October 1986

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

Marian Monroe

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

PS 016725

BEST COPY AVAILABLE

Study Conducted

by

Marian Monroe, Ph.D.

Glenn Larimore

Lee Poynor, Ph.D.

Charles Martin, Ph.D.

Rueben Leslie

and

staff

Family Self-support Services Branch

Texas Department of Human Services

P.O. Box 2960

Austin, Texas 78769

CONTENTS

EXECUTIVE SUMMARY

INTRODUCTION

PURPOSE OF STUDY

METHODS AND PROCEDURES

- Return Rate and Validity of Results
- Measures
- Data Processing and Analysis

FINDINGS

- Overall
- Patterns of Absenteeism
- Reasons for Absence
- Co-Pay Collections and Attendance
- Cost of Unattended Units
- Eligible But Unbilled Enrollment Units

CONCLUSIONS

- Discussion
- Recommendations
- Summary of Conclusions

APPENDICES

- A. TABLES
- B. CHARTS
- C. INSTRUMENTS AND CORRESPONDENCE

REFERENCES

Executive Summary

In line with state law and the market place, the Department of Human Services (DHS) purchases child day care on the basis of enrollment, not attendance. Policies for enrollment require attendance monitoring and specific follow-up activities to limit absences as much as possible. Compliance with these policies is monitored at the provider level, however information about absences statewide is not routinely gathered. In July 1986, the Legislative Budget Board requested information by provider type (contract, broker, and provider agreement) about the number of absences and the costs related to them in DHS-paid child day care during FY 1985.

To fulfill this request, DHS conducted a study: (1) to identify by provider type the numbers and costs of DHS-paid full-day equivalent units of service provided in FY 1985 when enrolled children did not attend; (2) to determine the extent to which non-attendance was related to holidays and closing as opposed to children's absences; (3) and to analyze variations in attendance patterns by provider type, month, and region.

Questionnaires were mailed to all child day care providers who were under contract or agreement at any time during FY 1985, requesting detailed information about absences and enrollment. Overall, the number of usable questionnaires returned was 239 of the 473 providers. These returned questionnaires accounted for 3,416,073 units of service, or 88% of the 3,900,960 units purchased by DHS in FY 1985.

Analysis of the information from the questionnaires produced these findings:

- Overall, of the 3,900,960 units purchased in FY 1985, an estimated 134,505 units (3.46%) were on holidays or closings, and 478,912 units (12.22%) were for children's absences due to illness or other reasons*.

- The overall estimated costs related to these non-attended units in FY 1985 are $1,127,350 for holidays and closings, and $4,015,365 for childrens' absences.

- Seasonal patterns differed somewhat by provider type, but as expected, absences were highest in winter and summer months for all provider types.

- The total annual absenteeism rates with holidays and closings excluded were similar for contracts (13.44%) and provider agreements (13.09%), but lower for brokers (9.11%).

- Total annual average absenteeism rates by region (with holidays and closings excluded) ranged from 8.73% in Region 11 to 18.46% in Region 12.

- Illness was the primary reason for absences, accounting for 63.25% of the total absences.

- Most contracts and brokers said the effect of parent's co-pay on attendance is positive, but most provider agreements said co-pay had no effect on attendance.

Conclusions:

1. Absences and their costs in DHS-paid child day care are not excessive because:

   - the absenteeism rates compare favorably with known averages and standards in similar services, especially considering the ages of children served, typical illness rates, and the fact that illness is the primary cause of absences; and

   - DHS pays for care based on enrollment, as is the general practice in the day care market.

2. The costs associated with absences are not recoverable, but are rather an unavoidable aspect of the service which is already taken into account in the budgeting and rate-setting process.

*The 3,900,960 units purchased and the associated costs differ from the measures in the Legislative Appropriations Request because units paid with local (match and parent's co-pay) and refugee funds are included in these units.

CHILD DAY CARE ATTENDANCE IN FISCAL YEAR 1985

INTRODUCTION

The child day care industry customarily offers its service to private sector customers on an enrollment basis. The smallest standard units are a full day, which is six hours or more in duration, and a half day which is less than six hours. In line with this practice, child day care services are purchased by the Department of Human Services (DHS) on the basis of full and half days of enrollment.

There is also a legal base for payment for days of enrollment rather than on days of attendance. The Human Resources Code, Section 44.003, (c), (2) directs that a day care contractor:

> . . . shall be paid on the basis of legitimate and reasonable expenses, insofar as possible, given federal regulations and department policy, instead of being paid on the basis of the number of children attending the center, provided that on being monitored by the department, the contracting operator can substantiate that there were sufficient preparations in the development of the service offered.

Following the enactment of the above code in 1975, DHS developed attendance policies and procedures. These policies are monitored on a contract-by-contract basis by DHS regional contract management staff. In addition, DHS auditors examine contractor compliance with the attendance policies and procedures required for payment.

The absenteeism policies and procedures take the following factors into account:

- The provider's cost for staff, food, space, etc. are not significantly reduced when a child fails to attend.
- Illnesses are more prevalent in preschool children than in older children. DHS purchases care for children age 0 to 11 years, 85 to 90% of whom are preschool.
- DHS purchases child care for families with serious problems, including inadequate income, lack of transportation or telephone, unstable living conditions, and limited education and work experience. These problems lead to irregular day care attendance and limit the providers' ability to determine the reasons for absences.

Only enrollment units are reported to DHS on regular monthly bills, but providers must maintain records of both enrollment and attendance for each child. Attendance records must include notations of reasons for absence and attempts to contact parents and/or DHS workers to verify the continued need for day care services.

The following is a summary of the current DHS payment policies for days of absence:

- Absences for up to five days per billing period are permitted with no follow-up documented.

- For children in Family Self-Support (FSS) or Protective Services (PS) case plans, the DHS worker must approve continued enrollment when absences of more than five days per billing period occur.

- For children not in FSS or PS case plans, payment for absences of more than five days but less than 11 days can be made only when the provider maintains documentation of either the reason for absence or attempts to contact the parent.

- For children who are not in FSS or PS case plans, absences of more than 10 days per billing period are paid only with written approval of the DHS contract manager.

While the majority of the incidences of absence are shorter than five days, the last three provisions above make it possible to handle special situations such as extended illnesses.

In addition to payment for the routine absences as described above, DHS pays for the following non-attendance days:

- Up to five days for a child whose enrollment is authorized by the DHS worker but who never attends (Fewer than five days are paid if the worker cancels the arrangement earlier.)

- Up to four days to fill a vacancy when a provider has received less than four days notice that a child's enrollment would terminate (Many contracts are negotiated without this provision, however.), and

- Up to nine holidays per year (Providers generally close to give paid holidays to employees.).

PURPOSE OF THE ATTENDANCE STUDY

The Legislative Budget Board's Performance Report to the 69th Legislature contained the recommendation that "The Department of Human Services should review the absenteeism policy for day care services to ensure that payments made for absent children are not excessive." As a result of this report, attendance policies were reviewed by the Family Self-Support Branch. Possible changes were identified and were sent to DHS staff and advisory groups for review and comment. Changes which were determined to merit further consideration were:

- Requiring parents to notify providers of the reason for their children's absence with the penalty of loss of child care when five days elapse with no notification.

- Deleting payment for the up to four days to fill a vacancy when a provider receives less than four days notice of enrollment termination.

These proposed changes will be included in a major revision of day care policies being prepared for publication in the Texas Register by February 1987 (pending DHS Board approval), and were reported to the Legislative Budget Board (LBB) in response to a June 1986 request for information on DHS actions on its absenteeism policy for day care services.

In a July 1986 communication with the Department, the LBB indicated that information on the number of days of absence and the cost of these days must be reported to them by October 15, 1986. The LBB asked that the information be reported by provider type (contract, provider agreement and broker). The present study was undertaken to satisfy this request.

The primary purpose of this study is to identify the number of DHS-paid full-day units of service delivered on days on which the enrolled children were absent. The study also addresses the following questions:

1. How many days were children unable to attend because of approved facility closings (up to 9 holidays)?

2. How many days of absence were for reasons other than the approved holiday closings?

3. How much did DHS pay for the days of absence?

4. What portion of the DHS paid days of absence occurred in contract facilities, in provider agreement facilities, and in broker facilities, and how do these compare?

5. Does the pattern of attendance appear to differ by region or month?

METHODS AND PROCEDURES

No summary data is routinely obtained from providers about attendance. After an assessment of possible data sources and collection techniques to answer these questions, it was concluded that a census of all providers about attendance during all of FY 1985 would provide the most reliable data. Stratified sampling techniques were considered but were not used because of the great range in providers' sizes, the unknown return rate, and unknown factors that may correlate with attendance.

A one-page questionnaire, the Child Care Utilization Report was designed to elicit the needed data. These questionnaires were mailed to each provider under a contract arrangement with DHS during Fiscal Year 1985. A letter explaining the purpose and deadline for the study and a postage-paid return envelope were included. Copies of the instrument and explanatory correspondence are in Appendix C.

DHS regional staff were available to answer questions or to assist providers in completing the form. Telephone assistance was also available throughout the data collection period from staff at the DHS State Office.

A desk edit was performed on each returned questionnaire on the day of receipt. Suspected data errors were handled in one of two ways:

- The questionnaire was returned to the provider along with a checklist-format cover letter identifying the types of errors apparent and an example of a correctly-completed questionnaire (see Appendix C).

- The provider was contacted by telephone to discuss possible errors and obtain corrected information if necessary.

Because the questionnaire return rate by the intended cutoff date was deemed insufficient, the data collection period was extended by three weeks. In addition, State Office staff made follow-up calls to all providers with missing returns who could be reached. Where a return could not reach State Office by mail in time to meet the extended deadline for data collection, respondents were asked to provide the information by telephone.

Return Rate and Validity of Results

Appendix A, Table 1 summarizes the number and percent of usable, returned questionnaires by region and provider type. The final return rates were excellent for the Brokers (91%) and the Contracts (83%) while the rate of return for the Provider Agreements was relatively low (36%). Since the Provider Agreements account for only 13% of the total units of day care service billed to DHS in FY 1985, the overall return can be considered well within acceptable standards of validity and precision because it accounts for 88% of the total units of purchased care for FY 1985. This attendance data is shown in Appendix A, Table 2. Table 2 which also illustrates that while only 36% of the respondents in the Provider Agreement stratum returned usable information, the 120 providers who did report accounted for the majority of care purchased from that provider type.

Measures

The primary measures taken from the provider survey (Child Care Utilization Report) and used in the data analysis were:

Total DHS-Paid Units: The full-day units of care (enrollment days) paid for by DHS for each month and in total for FY 1985, as reported for each contract.

DHS-Paid Units on Approved Holidays and Closing: The number of full-day units (enrollment days) paid for by DHS on days when children were not actually in care due to holidays or other closings, as reported for each contract for each month and in total for FY 1985.

Actual Number of Attendance Days: The number of DHS-paid, full-day units (enrollment days) which were actually attended during each month and in total for FY 1985, as reported for each contract.

Measures computed from the primary data above were:

Total DHS-Paid Unattended Units: Total DHS-Paid Units minus actual number of attendance days.

DHS-Paid Other Absent Days: Total DHS-Paid Units minus DHS-Paid Units on Approved Holidays and Closings minus Actual Number of Attendance Days.

Attendance Rate or Percent (Percent DHS-Paid Units Actually Attended):

$$\left(\frac{\text{Total Attended Units}}{\text{Total Units - Holiday Units}}\right) x = 100$$

Absenteeism Rate or Percent:

$$100\% - \left(\frac{\text{Total Attended Units}}{\text{Total Units - Holiday Units}}\right) x = 100$$

Dollar Estimates: Dollar equivalences for the above measures were estimated by multiplying the number of units times a unit or daily rate of $8.54 for provider agreement services and a unit or daily rate of $8.36 for Broker and Contract services.*

The average rate of $8.54 for provider agreements was computed by dividing the total DHS payments to these providers for services in FY 1985 ($4,361,680) by the total full-day equivalent unit of service purchased from these providers (510,900).

The average rate of $8.36 for contracts and brokers was computed by first dividing the total DHS payments as of July 31, 1986 to these providers for services in FY 1985 ($33,311,876) as reflected on DHS automated payment reports by the total full-day equivalent units of service purchased from these providers (3,390,060), and then multiplying the result by 85% to adjust the rate by excluding the certified local resources, estimated at 15%.

Co-pay (fees paid by parents) collected by provider agreements in FY 1985 was $228,460. Because co-pay was deducted from payment, the average rate of $8.54 does not include client co-pay. Contractors and brokers, on the other hand, keep co-pay collections, but generally use co-pay as a source of local funds.

*The average rate represents dollars expended at a point in time which differs from the Legislative Appropriation Request's projection. The average rate in the LAR represents the estimated total average rate with no reduction for certified local or parent's co-pay.

Respondents were instructed to provide the primary attendance data described above from facility operating records. A census enumeration rather than a sampling procedure was used by all providers, with the exception of several large providers for whom a complete census was impossible due to manpower requirements. The few providers who sampled were required to obtain prior approval of their sampling plans from a DHS statistician. Appropriate raising factors were applied to each of the sampled results to estimate what the result of a census would have been.

Providers were instructed to convert any half-day units of service to full-day equivalents by multiplying the number of half-day units by .65.

In addition to the records-based attendance census, in items 2 - 5 of the survey questionnaire, respondents were asked to provide experience-based estimates of:

- The percent of absences in the facility (or facilities) under contract attributable to: the DHS provision allowing up to 4 days for withdrawals without notice; the DHS provision for a 10 to 12 day appeal period when care is denied; illness of the child or a member of the child's family; and other/unknown causes. The four estimated percent figures, which summed to 100%, were rounded to the nearest whole number, where decimal accuracy was provided by the respondent.

- The total amount of co-pay collected from families in the facility or facilities under contract during FY 1985.

- The percentage of Priority 3 and 4 income eligible families paying some co-pay during FY 1985. The figure provided was rounded to the nearest whole percent.

- The average weekly co-pay amount paid per family paying co-pay during FY 1985.

- The degree to which co-pay affects attendance of enrolled children, if at all. Response options were: No Effect; Reduces Absences Significantly, Reduces Absences Slightly, or Increases Absences.

- The number of units (enrollment days) of care which were eligible for DHS payment, but which were not billed by the contracting agency.

It is important to note that the estimates of percents of absences attributable to illness and other unknown causes are speculative, given that in most situations day care providers are only required to document absence, not reason for absence, and information about illnesses is given informally.

Data Processing and Analyses

Questionnaire data were key-entered into a dBASE III data base structure on an IBM PC/AT microcomputer. Data manipulations and analyses were performed using dBASE III and SPSS/PC software on the IBM PC/AT.

FINDINGS

Overall

Of the 3,900,960 units purchased by DHS in FY 1985, 88% or 3,416,073 were accounted for by survey responses. The 3,900,960 Total Units Purchased, shown in Appendix A, Table 2, differs from the measures in the Legislative Appropriations Request because it includes local and refugee funds. As shown in Appendix A, Table 4, of the 3,416,073 units purchased by DHS for which data were obtained through the survey:

- 2,880,174 or 84.31% represent days on which the enrolled children attended.
- 118,331 or 3.46% represent days on which the facilities were closed for holidays or emergencies.
- 417,568 or 12.22% represent children's absences for individual reasons such as illness.

The holidays and emergencies must be accounted for in order to focus on absenteeism, which is defined as non-attendance on days when care is actually offered by a facility. The percentage of units on these days equals the percentage of allowed holidays in a year for any provider (9 of 260 days is 3.46%). No significant deviation from the expected incidence of closings was reported. The remainder of these findings will therefore focus on absenteeism. Detailed charts analyzing holidays and closings are in the appendices.

Patterns of Absenteeism by Month, Provider Type, and Region

Patterns and rates of absenteeism differed by region, provider type and season. (See Appendix A Tables 4 through 7, and Appendix B Chart 1.) In general, a seasonal pattern is evident in all provider types. Absenteeism is highest in winter months (December, January, February, and March) and in summer months (especially June and August). The range overall was from a low absenteeism rate in September of 8.87% to a high in August of 15.60%. This pattern reflects expected illnesses of young children in winter and traditional vacation patterns in summer.

Although the seasonal patterns differ somewhat, the total annual absenteeism rates in contracts and provider agreements do not differ substantially: 13.44% in contracts, and 13.09% in provider agreements. The total annual absenteeism rate for brokers, however, is much less, 9.11%. The absenteeism rate in brokers was also consistently lowest in each month in FY 1985, ranging from a low in November of 5.67% to a high in February of 11.99%. The seasonal variation was least for provider agreements, ranging from a low of 10.62% in May to a high of 16.03% in January. The seasonal variation for contractors was greater, ranging from a low in September of 9.13% to a high in August of 17.11%

The total annual absenteeism for all provider types ranged by region from a low in Region 11 of 8.73% to a high in Region 12 of 18.46%.

No inference is drawn regarding variation by region or provider type, but these data may warrant further investigation and analysis to determine whether and in what ways different factors influence absenteeism and attendance rates.

Reasons for Absences

Providers were asked to estimate the percent of absences in their facilities caused by each of four factors: (1) the up to four days billing allowed when a child leaves without notice; (2) the 10 to 12 days billing allowed for holding a space for an appeal; (3) illnesses of the child or a family member; and (4) other or unknown reasons. The responses to this question are tabulated in Appendix A, Table 15. When providers' responses were averaged for analysis, illness was perceived as the major cause of absences at 63.25%. Other or unknown reasons accounted for 27.2%; the up to four days billing for withdrawals without notice, 6.02%; and holding spaces for appeals, a scant 1.62%.

Co-Pay Collection and Attendance

Except for protective service referrals and recipients of Aid to Families with Dependent Children (AFDC), all day care families are assessed co-pay for their children's care. Co-pay collection is an integral element of day care funding. See Appendix A, Tables 16-19 for details of the amounts collected by provider types and per family. The amount of co-pay is significant, and it is generally believed that having to pay at least in part for a service encourages better use of the service since it generally represents 8% to 17% of the families' income.

The providers' opinions on this subject varied by provider type. (See Appendix A, Table 20 for details.) Of the provider agreements reporting, 81.8% thought that co-pay had no effect on attendance, while 55.5% of the contracts and 60% of the brokers thought co-pay had a positive effect. Only a very small minority of providers 8.6% expressed the opinion that co-pay has a negative effect on children's attendance. The observed correlation between the average weekly co-payment per family reported and the facility non-holiday attendance rate, however, was found not to be significant. Similarly, when providers were separated into two groups by co-pay collection status (those reporting no co-pay collected, and those reporting some amount of co-pay collected), an analysis of variance showed no difference in attendance between the groups. (See Apendix A, Tables 21 and 22.)

Cost of Unattended Units

In order to determine the total cost of DHS-paid unattended days for FY 1985, it was necessary to extrapolate from the reporting units and absentee rates reported in the survey. Through this extrapolation, it is estimated that there were a total of 613,417 DHS-paid days of absence at a cost of $5,142,715, as shown in Appendix A, table 3.

Eligible But Unbilled Enrollment Units

By totaling providers' estimates of unbilled but eligible units provided from Item 5 of the survey, we find that an estimated 73,560 day care units (at a projected cost of $627,923) were not billed to DHS. (See Appendix A, Table 11.) Providers evidently did not bill DHS for all of the unattended enrolled days which occurred and were eligible to be billed. Nine providers (one contract and eight provider agreements) did not bill any units to DHS for holidays or other closings.

CONCLUSIONS

Discussion

Based on the findings from the study, the DHS attendance and enrollment policies do not allow excessive absenteeism to occur in DHS-paid child day care. The overall attendance rate for DHS-paid child care was 87.34% of the days that the facilities were open and 84.31% of all the DHS-paid enrollment days. These attendance rates are equal to or higher than the generally expected attendance rates for private sector child day care. Moreover, attendance and enrollment policies prescribe providers' activities that limit absences and result in interventions to prevent neglect of children and parents' dropping out of training programs or disruption of case plans.

According to the American Academy of Pediatrics, children who attend day care are more likely to contract acute infectious illness than children raised at home (Haac, 1986). When this factor is added to the generally higher rate of illness in infants and preschool children, professionals in child day care generally cite 80% attendance as reasonable. The Illinois Department of Children and Families (Cooper, Note 1) for example, has set 80% as the required level of attendance for its enrollment-based day care payments. The national Head Start program does not count holidays, or other closings as unattended days and requires an 85% attendance rate for days that the Head Start facilities are open (Stover, Note 2). Head Start programs are only required to operate eight months per year and three hours per day, and this allows them to close on days that tend to have higher absences.

Based on a study of the attendance in a national sample of day care centers, Thompson (1971) advises day care operators to plan their staffing ratios and enrollment with the expectation of absences each day. She cites 12% absences as a safe level for planning purposes which suggests that attendance above 88% on any day would be exceptional. Illness of the child or family is the primary reason for reported absences, as might be expected given the illness rates for young children and current licensing and health regulations that prevent facilities from serving children who are ill.

A review of the literature on child care revealed that little has been written on child day care attendance rates. The few studies which were found could not be used for comparisons with the current survey results due to differences in definitions of attendance and study methologies. In the 1970 Westat study (United States Senate Committee on Finance, 1977), for example, the attendance

information pertained only to a single day on which each center was visited. No day homes were included, the data lacked month to month comparison and the study did not consider such elements as holidays, severe weather, and days before holidays.

Attendance information from public schools is also less than desirable for purposes of comparison since public schools are closed during the summer and most holiday seasons, which are the periods during which attendance in day care facilities tends to drop. Attendance at day care centers is generally lower when public schools are closed because, on those days, families visit relatives, leave younger children at home with school-age siblings, and otherwise depart from their normal routines.

Of 38 states contacted, only 8 responded to a request for information on their attendance and enrollment policies. The majority of those who responded have policies very similar to those of DHS. Alaska, for example, will pay for five days of absence per child per month and up to five days when a child leaves without notice (Lare, Note 3).

All but two states that responded pay child care providers on the basis of enrollment. One, the State of Washington, is conducting a day care provider study to evaluate complaints that failure to reimburse for absences creates financial instability in day care programs (Wasson, Note 4). While ostensibly reimbursing providers on the basis of attendance, the State of California defines attendance in such a way that payments would be virtually comparable to Texas' enrollment-based payments (Finn, Note 5):

> "attendance" for the purposes of reimbursement, includes excused absences by children because of illness, quarantine, illness or quarantine of their parent, family emergency, or relative as required by a court of law or which is clearly in the interest of the child.

A facility that follows the DHS policy and closes on nine or fewer holidays or other days per year is open 251 days or more per year. According to a report on a national sample of day care centers, the average number of days of operation per year for day care centers is 248 with a range from 238 to 255 days (Thompson, 1971). This indicates DHS paid enrollment for up to nine holidays or approved closings is not excessive.

A superficial analysis of the number of DHS-paid attended days and their cost could lead to the conclusion that money could be saved by not paying for unattended days. It is unlikely that this will be the case. Not paying for the unattended days could lead to increased rates and other management problems as discussed below.

Problem 1. Providers must maintain rate structures that cover their costs of operation. If unattended days are not reimbursed, providers would have to adjust the prices of their service units upward. In order to stay in business, they would have to calculate the expected days of attendance for their facility, subtract a margin of error, and divide that number into their cost of operation to arrive at a price for a day of care. The cost of care for children who attend tends to become higher under an attendance-based payment system, because providers have to pay overhead on the care made available (although unused) for the absent children.

Problem 2. The usual practice in the private sector of the day care industry is to charge for enrolled days. Payment is customarily in advance (for one week to one month) without refunds for unattended days or terminations of care. The ability of DHS to offer care that is accessible to its clients and available at a competitive rate is dependent upon being able to utilize existing non-profit and commercial facilities in the private sector. If DHS changed from purchasing days of enrollment to purchasing days of attendance, DHS would no longer be buying a service readily available in the day care market. Instead, DHS would be purchasing a "customized" unit of care. Providers who serve a significant number of non-DHS subsidized children would probably be unwilling to do business with DHS on this basis. Since most provider agreements and broker systems centers serve few DHS subsidized children, access could be lost to these facilities. Even contractors who serve a mixture of DHS subsidized children and private paying children would have problems adjusting to an attendance-based purchasing system. DHS could lose the competitive edge in purchasing day care, because it is likely that only day care providers dependent on serving large numbers of DHS children would participate.

While payment based on attendance would probably not work well in general practice, it may be feasible and appropriate for some clients at times. For example, AFDC recipient parents sometimes need only drop-in care while they are seeking jobs. There is a small, specialized market for this care, but the market rate is much higher than the rate for on-going care. DHS is exploring a concept to develop this type of care using special federal funding for this purpose. But even this type of care must link to on-going care for clients who are successful in obtaining employment.

Recommendations

DHS should:

1. Continue to explore the implications of the current study as they relate to refining day care purchasing systems.

2. Keep the current DHS market-based purchase systems for on-going care, which are based on enrollment rather than attendance.

3. Refine the current processes for follow-up on absences for on-going care.

4. Fully explore options for purchasing drop-in care on an attendance basis to meet the needs of job-seeking DHS clients.

5. Promote the use of these findings, particularly by new providers and DHS contract negotiators, as reliable benchmarks for predicting utilization rates and for planning programs and budgets.

Summary of Conclusions

Two major conclusions are drawn from the analysis of these findings.

1. The absenteeism rate in DHS-paid day care and the costs associated with it are not excessive.

The absenteeism rate in DHS paid day care compares favorably with known averages and standards in similar services, especially considering the ages of children served, typical illness, and the fact that illness is the primary cause of absence.

DHS pays for care based on enrollment, as is the general practice in the day care market.

2. The costs associated with absences are not recoverable but are rather an unavoidable aspect of the service which is already taken into account in the budgeting and rate setting process.

Changing the unit of service from enrollment to attendance days would require DHS to purchase a customized unit not now widely available and require interested providers to set rates based on dividing expected costs by expected attendance almost certainly resulting in considerably higher rates.

APPENDICES
CONTENTS

Appendix A: TABLES

1. Summary of Returns

2. Numbers and Percent of Purchased Units of Care for Which Attendance was Reported

3. Estimated cost of unattended Day Care in FY 1985

4. Summary of FY 1985 Utilization for All Provider Types Sample by Region and Month

5. Summary of FY 1985 Utilization for Provider Agreements Sample by Region and Month

6. Summary of FY 1985 Utilization for Contract Providers Sample by Region and Month

7. Summary of FY 1985 Utilization for Brokered Contracts Sample by Regions and Month

8. Total units by Provider Type

9. Average (Mean) Responses by Provider Type

10. Estimated Total Eligible, Unbilled Units by Provider Type

11. Number and Percent of Providers of Each Type Reporting No Billed Units for Holidays and Approved Closings

12. Percent of Non-Holiday Closing DHS-Paid Units Actually Attended

13. Percent of Non-Holiday/Closing DHS-Paid Units Actually Attended by Provider Type

14. Percent of Non-Holiday/Closing DHS-Paid Units Actually Attended by Region

15. Mean Estimated Percent of Absences Covered by Four Factors

16. Number and Percent of Providers Collecting Co-Pay

17. Total Co-Pay Collected by Provider Type

APPENDICES
CONTENTS
Page 2

18. Total Amount of Co-Pay Collected During FY 1985 (All Cases)

19. Average Weekly Co-Pay Amount Paid Per Family (All Cases)

20. Response Summary for Items 4, Opinions on Effects of Co-Pay on Attendance

21. Percent of Non-Holiday/Closing DHS-Paid Units Actually Attended by Co-Pay Collection Status

22. Average Weekly Co-Pay Amount Per Family and Percent of Non-Holiday/Closing DHS Units Actually Attended

23. Percent Absenteeism by Region and Month for Each Provider Type

Appendix B: CHARTS

1. Absenteeism by Provider Type and Month With Holidays Excluded

2. Attendance by Provider Type and Month, With Holidays Excluded

3. Overall Attendance by Provider Type and Month

4. Summary of Survey Data on Day Care Attendance for FY 1985

5. Total DHS-Paid Day care Units in FY 1985 by Provider Type

6. Total Estimated Cost for Non-Holiday Absences in FY 1985 DHS-Paid Day Care by Provider Type

7. Absenteeism With Holidays Excluded by Region

8. Absenteeism With Holidays Excluded by Region and Provider Type

Appendix C: DATA COLLECTION CORRESPONDENCE

1. Form Letter of August 8, 1986

2. Memorandum (FSSB #86-23) of August 8, 1986

3. Memorandum of August 15, 1986

4. Form Letter Requesting Corrections

5. Sample Completed Report

6. Memorandum of August 25, 1986

TABLE 1
SUMMARY OF RETURNS

	Region	Universe of Providers Billing DHS in FY 1985	Number of Usable Returned Questionnaire	Percent Usable Return
	03	3	2	67%
	04	30	10	33
Provider	05	57	20	35
Agreement	06	24	6	25
	07	22	9	41
	08	83	27	33
	09	31	23	74
	10	22	6	27
	11	49	11	22
	12	10	6	60
	Stratum Total	331	120	36%
	01	10	5	50%
	02	2	2	100
	03	5	4	80
	04	10	10	100
	05	12	11	92
Contract	06	20	17	85
	07	15	9	60
	08	18	16	89
	09	18	16	89
	10	8	8	100
	11	8	7	87
	12	5	4	80
	Stratum Total	131	109	83%
	01	1	1	100%
	02	1	1	100
Broker	05	2	2	100
	07	2	1	50
	09	1	1	100
	11	4	4	100
	Stratum Total	11	10	91%
	Total	473	239	51%

TABLE 2

**Number and Percent of Purchased
Units of Care for Which Information Was Reported**

Stratum	Total Units Purchased In FY 1985	Units for Which Information Was Reported	Percent of Units for Which Information Was Reported
Provider Agreement	510,900	263,873	52%
Contract	2,777,876	2,562,612	92
Broker	612,184	589,588	96
TOTAL	3,900,960	3,416,073	88%

NOTE: The Total Units Purchased differs from the measures in the Legislative Appropriations Request because it includes units paid by local and refugee funds.

TABLE 3

ESTIMATED COST OF UNATTENDED DAY CARE IN FY 1985.

Provider Type	Absence Rate Observed in Survey: For Holiday/ Closings	Absence Rate Observed in Survey: For Other Reasons	Absence Rate Observed in Survey: Overall	Total DHS-Paid Units FY 1985	Estimated DHS-Paid Units In FY 1985 on Holidays/Closings: No. of Units	Estimated DHS-Paid Units In FY 1985 on Holidays/Closings: Cost	Estimated DHS-Paid Absences In FY 1985 Due to Other Reasons: No. of Units	Estimated DHS-Paid Absences In FY 1985 Due to Other Reasons: Cost	Estimated Total DHS-Paid Unattended Units In FY 1985: No. of Units	Estimated Total DHS-Paid Unattended Units In FY 1985: Cost
Provider Agreement	3.14%	12.68%	15.82%	510,900	16,042	$ 136,999	64,782	$ 553,238	80,824	$ 690,237
Contract	3.61%	12.96%	16.57%	2,777,876	100,281	$ 838,349	360,013	$3,009,709	460,294	$3,848,058
Broker	2.97%	8.84%	11.81%	612,184	18,182	$ 152,002	54,117	$ 452,418	72,299	$ 604,420
			TOTAL	3,900,960	134,505	$1,127,350	478,912	$4,015,365	613,417	$5,142,715

*These estimations are extrapolations from the sample data to the total units purchased.

TABLE 4

SUMMARY OF FY 1985 UTILIZATION FOR ALL PROVIDERS SAMPLE TYPES BY REGION AND MONTH

		(A) TOTAL DHS-PAID UNITS		(B) DHS-PAID UNITS ON APPROVED HOLIDAYS AND CLOSINGS			(C) DHS-PAID OTHER ABSENT DAYS			(B + C) TOTAL DHS-PAID UNATTENDED UNITS		
REGION	N	NUMBER	EST. $	NUMBER	% OF TOTAL	EST. $	NUMBER	% OF TOTAL	EST. $	NUMBER	% OF TOTAL	EST. $
01	6	117,567	982,860	3,616	3.08	30,230	19,954	16.97	166,815	23,570	20.05	197,045
02	3	107,325	897,237	3,218	3.00	26,902	17,942	16.72	149,995	21,160	19.72	176,897
03	6	205,650	1,720,761	5,066	2.46	42,377	20,608	10.02	172,390	25,674	12.48	214,767
04	20	177,560	1,486,104	5,862	3.30	49,057	24,430	13.76	204,351	30,292	17.06	253,408
05	33	540,368	4,525,897	19,403	3.59	162,509	72,635	13.44	608,399	92,038	17.03	770,908
06	23	312,067	2,611,552	12,147	3.89	101,618	35,788	11.47	299,542	47,935	15.36	401,160
07	19	85,409	716,587	3,146	3.68	26,368	10,764	12.60	90,223	13,910	16.28	116,591
08	43	436,918	3,660,050	15,875	3.63	133,000	56,215	12.87	470,801	72,090	16.50	603,801
09	40	527,053	4,424,213	19,673	3.73	165,050	70,254	13.33	590,009	89,927	17.06	755,059
10	14	162,334	1,358,965	6,175	3.80	51,676	20,617	12.70	172,557	26,792	16.50	224,233
11	22	684,844	5,727,360	22,259	3.25	186,122	57,825	8.44	483,582	80,084	11.69	669,704
12	10	58,978	494,282	1,891	3.21	15,831	10,536	17.86	88,223	12,427	21.07	104,054
Total	239	3,416,073	28,605,868	118,331	3.46	990,740	417,568	12.22	3,496,887	535,899	15.69	4,487,627
Month												
Sept '85		251,011	2,101,505	11,556	4.60	96,740	21,245	8.46	177,923	32,801	13.06	274,663
Oct '85		298,761	2,501,622	361	0.12	3,021	29,523	9.88	247,328	29,884	10.00	250,349
Nov '85		287,986	2,411,465	22,916	7.96	191,869	24,809	8.61	207,886	47,725	16.57	399,755
Dec '85		264,966	2,218,782	28,458	10.74	238,293	35,890	13.55	300,498	64,348	24.29	538,791
Jan '86		300,453	2,515,856	17,713	5.90	148,289	42,043	13.99	352,099	59,756	19.89	500,388
Feb '86		268,457	2,248,157	4,862	1.81	40,665	35,514	13.23	297,408	40,376	15.04	338,073
Mar '86		286,166	2,396,557	2,057	0.72	17,220	41,198	14.40	345,002	43,255	15.12	362,222
Apr '86		301,578	2,525,473	7,170	2.38	60,052	31,023	10.29	259,878	38,193	12.67	319,930
May '86		307,295	2,573,373	8,103	2.64	67,834	32,708	10.64	273,895	40,811	13.28	341,729
June '86		270,006	2,261,041	928	0.34	7,767	40,156	14.87	336,232	41,084	15.21	343,999
July '86		300,707	2,518,259	13,628	4.53	114,135	40,080	13.33	335,546	53,708	17.86	449,681
Aug '86		278,687	2,333,779	579	0.21	4,854	43,379	15.57	363,196	43,958	15.78	368,050
Total (N=239)		3,416,073	28,605,866	118,331	3.46	990,739	417,568	12.22	3,496,891	535,899	15.69	4,487,630

"% of Total" column is the percent of Total DHS - Paid Units.

Dollar estimates are the number of units times a unit (or daily) rate of $8.36 or $8.54, as appropriate, rounded to the nearest dollar.

TABLE 5

SUMMARY OF FY 1985 UTILIZATION FOR PROVIDER AGREEMENTS SAMPLE BY REGION AND MONTH

		(A) TOTAL DHS-PAID UNITS		(B) DHS-PAID UNITS ON APPROVED HOLIDAYS AND CLOSINGS			(C) DHS-PAID OTHER ABSENT DAYS			(B + C) TOTAL DHS-PAID UNATTENDED UNITS		
REGION	N	NUMBER	EST. $	NUMBER	% OF TOTAL	EST. $	NUMBER	% OF TOTAL	EST. $	NUMBER	% OF TOTAL	EST. $
03	2	8,483	72,445	140	1.65	1,196	596	7.03	5,090	736	8.68	6,285
04	10	9,453	80,729	282	2.98	2,408	649	6.87	5,542	931	9.85	7,951
05	20	46,779	399,493	1,668	3.57	14,245	6,505	13.91	55,553	8,173	17.47	69,797
06	6	14,847	126,793	386	2.60	3,296	1,973	13.29	16,849	2,359	15.89	20,146
07	9	14,265	121,823	376	2.64	3,211	1,309	9.18	11,179	1,685	11.81	14,390
08	27	41,197	351,822	1,579	3.83	13,485	4,687	11.38	40,027	6,266	15.21	53,512
09	23	100,274	856,340	3,243	3.23	27,695	14,919	14.88	127,408	18,162	18.11	155,103
10	6	10,290	87,877	299	2.91	2,553	1,105	10.74	9,437	1,404	13.64	11,990
11	11	11,473	97,979	201	1.75	1,717	919	8.01	7,848	1,120	9.76	9,565
12	6	6,812	58,174	122	1.79	1,042	788	11.56	6,730	910	13.36	7,771
Total	120	263,873	2,253,475	8,296	3.14	70,848	33,450	12.68	285,663	41,746	15.82	356,511
Month												
Sept '84		16,963	144,864	733	4.32	6,260	1,748	10.30	14,928	2,481	14.63	21,188
Oct '84		22,107	188,794	21	0.09	179	2,867	12.97	24,484	2,888	13.06	24,663
Nov '84		21,678	185,130	1,615	7.45	13,792	2,685	12.39	22,930	4,300	19.84	36,722
Dec '84		20,364	173,909	2,135	10.48	18,233	2,543	12.49	21,717	4,678	22.97	39,950
Jan '85		22,602	193,021	1,157	5.12	9,881	3,437	15.21	29,352	4,594	20.33	39,233
Feb '85		21,425	182,969	106	0.49	905	2,839	13.25	24,245	2,945	13.75	25,150
Mar '85		23,386	199,716	129	0.55	1,102	3,216	13.94	27,849	3,390	14.50	28,951
Apr '85		23,784	203,115	621	2.61	5,303	2,914	12.25	24,886	3,535	14.86	30,189
May '85		24,370	208,120	519	2.13	4,432	2,533	10.39	21,632	3,052	12.52	26,064
June '85		21,055	179,810	50	0.24	427	2,933	13.93	25,048	2,983	14.17	25,475
July '85		24,163	206,352	1,138	4.71	9,719	2,650	10.97	22,631	3,788	15.68	32,350
Aug '85		21,976	187,675	72	0.33	615	3,040	13.83	25,962	3,112	14.16	26,577
Total (N=120)		263,873	2,253,475	8,296	3.14	70,848	33,450	12.68	285,664	41,746	15.82	356,512

"% of Total" column is the percent of Total DHS - Paid Units.

Dollar estimates are the number of units times a unit (or daily) rate of $8.54, rounded to the nearest dollar.

TABLE 6

SUMMARY OF FY 1985 UTILIZATION FOR CONTRACT PROVIDERS SAMPLE BY REGION AND MONTH

		(A) TOTAL DHS-PAID UNITS		(B) DHS-PAID UNITS ON APPROVED HOLIDAYS AND CLOSINGS			(C) DHS-PAID OTHER ABSENT DAYS			(B + C) TOTAL DHS-PAID UNATTENDED UNITS		
REGION	N	NUMBER	EST. $	NUMBER	% OF TOTAL	EST. $	NUMBER	% OF TOTAL	EST. $	NUMBER	% OF TOTAL	EST. $
01	5	100,429	839,586	3,258	3.24	27,237	17,501	17.43	146,308	20,759	20.67	173,545
02	2	81,566	681,892	2,709	3.32	22,647	14,472	17.74	120,986	17,181	21.06	143,633
03	4	197,167	1,648,316	4,926	2.50	41,181	20,012	10.15	167,300	24,938	12.65	208,482
04	10	168,107	1,405,375	5,580	3.32	46,649	23,781	14.15	198,809	29,361	17.47	245,458
05	11	389,744	3,258,260	15,012	3.85	125,500	53,637	13.76	448,405	68,649	17.61	573,906
06	17	297,220	2,484,759	11,761	3.96	98,322	33,815	11.38	282,693	45,576	15.33	381,015
07	9	61,021	510,136	2,461	4.03	20,574	8,611	14.11	71,988	11,072	18.14	92,562
08	16	395,721	3,308,228	14,296	3.61	119,515	51,528	13.02	430,774	65,824	16.63	550,289
09	16	420,082	3,511,886	16,255	3.87	135,892	54,277	12.92	453,756	70,532	16.79	589,648
10	8	152,044	1,271,088	5,876	3.86	49,123	19,512	12.83	163,120	25,388	16.70	212,244
11	7	247,345	2,067,804	8,644	3.50	72,264	25,101	10.15	209,844	33,745	13.64	282,108
12	4	52,166	436,108	1,769	3.39	14,789	9,748	18.69	81,493	11,517	22.08	96,282
Total	109	2,562,612	21,423,438	92,547	3.61	773,693	331,995	12.96	2,775,476	424,542	16.57	3,549,171
Month												
Sept '85		194,095	1,622,634	8,942	4.61	74,755	16,907	8.71	141,343	25,849	13.32	216,098
Oct '85		227,633	1,903,012	340	0.15	2,842	22,578	9.92	188,752	22,918	10.07	191,594
Nov '85		217,202	1,815,809	17,644	8.12	147,504	19,548	9.00	163,421	37,192	17.12	310,925
Dec '85		195,936	1,638,025	22,633	11.55	189,212	28,174	14.38	235,535	50,807	25.93	424,747
Jan '86		226,816	1,896,182	14,087	6.21	117,767	33,424	14.74	279,425	47,511	20.95	379,192
Feb '86		202,852	1,695,843	4,606	2.27	38,506	27,394	13.50	229,014	32,000	15.78	267,520
Mar '86		214,691	1,794,817	1,908	0.89	15,951	32,522	15.15	271,884	34,430	16.04	287,835
Apr '86		226,678	1,895,028	5,381	2.37	44,985	24,821	10.95	207,504	30,202	13.32	252,489
May '86		228,665	1,911,639	6,234	2.73	52,116	26,257	11.48	219,509	32,491	14.21	271,625
June '86		201,919	1,688,043	548	0.27	4,581	31,719	15.71	265,171	32,267	15.98	269,752
July '86		222,815	1,862,733	9,717	4.36	81,234	33,955	15.24	283,864	43,672	19.60	365,098
Aug '86		203,310	1,699,672	507	0.25	4,239	34,696	17.07	290,059	35,203	17.31	294,298
Total (N=109)		2,562,612	21,423,436	92,547	3.61	773,692	331,995	12.96	2,775,481	424,542	16.57	3,549,173

"% of Total" column is the percent of Total DHS - Paid Units.

Dollar estimates are the number of units times a unit (or daily) rate of $8.36, rounded to the nearest dollar.

TABLE 7

SUMMARY OF FY 1985 UTILIZATION FOR BROKERED CONTRACTS SAMPLE BY REGION AND MONTH

		(A) TOTAL DHS-PAID UNITS		(B) DHS-PAID UNITS ON APPROVED HOLIDAYS AND CLOSINGS			(C) DHS-PAID OTHER ABSENT DAYS			(B + C) TOTAL DHS-PAID UNATTENDED UNITS		
REGION	N	NUMBER	EST. $	NUMBER	% OF TOTAL	EST. $	NUMBER	% OF TOTAL	EST. $	NUMBER	% OF TOTAL	EST. $
01	1	17,138	143,274	358	2.09	2,993	2,453	14.31	20,507	2,811	16.40	23,500
02	1	25,759	215,345	509	1.98	4,255	3,470	13.47	29,009	3,979	15.45	33,264
05	2	103,845	868,144	2,723	2.62	22,764	12,493	12.03	104,441	15,216	14.65	127,206
07	1	10,123	84,628	309	3.05	2,583	844	8.34	7,056	1,153	11.39	9,639
09	1	6,697	55,987	175	2.61	1,463	1,058	15.80	8,845	1,233	18.41	10,308
11	4	426,026	3,561,577	13,414	3.15	112,141	31,805	7.47	265,890	45,219	10.61	378,031
Total	10	589,588	4,928,955	17,488	2.97	146,199	52,123	8.84	435,748	69,611	11.81	581,948
Month												
Sept '84		39,953	334,007	1,881	4.71	15,725	2,590	6.48	21,652	4,471	11.19	37,377
Oct '84		49,021	409,816	0	0.00	0	4,078	8.32	34,092	4,078	8.32	34,092
Nov '84		49,106	410,526	3,657	7.45	30,573	2,576	5.25	21,535	6,233	12.69	52,108
Dec '84		48,666	406,848	3,690	7.58	30,848	5,173	10.63	43,246	8,863	18.21	74,094
Jan '85		51,035	426,653	2,469	4.84	20,641	5,182	10.15	43,322	7,651	14.99	63,963
Feb '85		44,180	369,345	150	0.34	1,254	5,281	11.95	44,149	5,431	12.29	45,403
Mar '85		48,089	402,024	20	0.04	167	5,415	11.26	45,269	5,435	11.30	45,436
Apr '85		51,116	427,330	1,168	2.28	9,764	3,288	6.43	27,488	4,456	8.72	37,252
May '85		54,260	453,614	1,350	2.49	11,286	3,918	7.22	32,754	5,268	9.71	44,040
June '85		47,032	393,188	330	0.70	2,759	5,504	11.70	46,013	5,834	12.40	48,772
July '85		53,729	449,174	2,773	5.16	23,182	3,475	6.47	29,051	6,248	11.63	52,233
Aug '85		53,401	446,432	0	0.00	0	5,643	10.57	47,175	5,643	10.57	47,175
Total (N=10)		589,588	4,928,955	17,488	2.97	146,199	52,123	8.84	435,746	69,611	11.81	581,945

"% of Total" column is the percent of Total DHS - Paid Units.
Dollar estimates are the number of units times a unit (or daily) rate of $8.36, rounded to the nearest dollar.

TABLE 8

TOTAL UNITS BY PROVIDER TYPE

Provider Type	Total N	Total Col. A (Total DHS-Paid Units)	Total Col. B (Total Units on Holidays & Approved Closings)	Total Col. C (Total Attended Units)
Provider Agreement	120	263,873	8,296	222,127
Contract	109	2,562,612	92,547	2,138,070
Broker	10	589,588	17,488	519,977
All Types	239	3,416,073	118,331	2,880,174

TABLE 9
AVERAGE (MEAN) RESPONSES BY PROVIDER TYPE

TOTAL DHS-PAID UNITS (COL. A TOTAL)

PROVIDER TYPE	VALID N	MEAN	STD. DEV.
Provider Agreements	120	2,198.94	2421.60
Contracts	109	23,510.20	23,712.40
Brokers	10	58,958.80	54,299.70
All Types	239	14,293.19	23,792.04

TOTAL UNITS ON HOLIDAYS AND APPROVED CLOSINGS (COL. B. TOTAL)

PROVIDER TYPE	VALID N	MEAN	STD. DEV.
Provider Agreements	120	69.13	90.26
Contracts	109	849.05	833.73
Brokers	10	1,748.80	1,584.86
All Types	239	495.11	793.34

TOTAL ACTUAL ATTENDANCE DAYS (COL. C. TOTAL)

PROVIDER TYPE	VALID N	MEAN	STD. DEV.
Provider Agreements	120	1,851.06	2,007.72
Contracts	109	19,615.32	20,172.74
Brokers	10	51,997.70	50,265.67
All Types	239	12,050.94	20,686.51

TABLE 10

ESTIMATED TOTAL ELIGIBLE, UNBILLED UNITS BY PROVIDER TYPE

Provider Type	Number of Units	Dollar Equivalent
Provider Agreement	1,550	$ 12,958.00
Contract	70,182	599,354.00
Broker	1,828	15,611.00
All Types	73,560	$627,923.00

TABLE 11

NUMBER AND PERCENT OF PROVIDERS OF EACH TYPE
REPORTING NO BILLED UNITS FOR HOLIDAYS AND APPROVED CLOSINGS

Provider Type	Valid N	Number of Providers	Percent of Providers
Provider Agreement	120	8	6.7
Contract	109	1	0.9
Broker	10	0	0.0
All Types	239	9	3.77

TABLE 12

PERCENT OF NON-HOLIDAY/CLOSING DHS-PAID
UNITS ACTUALLY ATTENDED *

PROVIDER TYPE	MEAN	STD. DEV.	VALID N
Provider Agreements	88.52	9.85	120
Contracts	85.92	6.41	109
Brokers	88.70	4.37	10
All Types	87.34	8.34	239

* Percent attendance on days the facilities were open.

TABLE 13

PERCENT OF NON-HOLIDAY/CLOSING DHS-PAID UNITS
ACTUALLY ATTENDED BY PROVIDER TYPE

Provider Type	Mean	Std. Dev.	N
Provider Agreement	88.52	9.85	120
Contract	85.92	6.41	109
Broker	88.70	4.37	10
All Types	87.34	8.34	239

ANALYSIS OF VARIANCE

Source	Sum of Squares	D.F.	Mean Square	F	Significance
Between Groups	405.2246	2	202.6123	2.9592	.0538
Within Groups	16158.3235	236	68.4675		

TABLE 14

PERCENT OF NON-HOLIDAY/CLOSING DHS-PAID UNITS
ACTUALLY ATTENDED BY REGION

Region	Mean	Std. Dev.	N
01	83.17	5.56	6
02	83.33	2.52	3
03	92.67	2.80	6
04	87.95	11.25	20
05	86.52	7.63	33
06	86.39	6.13	23
07	87.95	8.69	19
08	89.07	6.90	43
09	85.40	8.65	40
10	89.46	6.29	14
11	91.09	8.28	22
12	78.90	11.84	10
All Regions	87.34	8.34	239

ANALYSIS OF VARIANCE

Source	Sum of Squares	D.F.	Mean Square	F	Significance
Between Groups	1770.2736	11	160.9340	2.4695	.0061
Within Groups	14793.2746	227	65.1686		

TABLE 15

MEAN ESTIMATED PERCENT OF ABSENCES CAUSED BY FOUR FACTORS

Provider Type	Valid N	Up to 4 Days Drop Without Notice	10 or 12 Days Appeal Period When Care Denied	Illness of Child or Family	Other/ Unknown
Provider Agreement	112	5.65	1.36	65.06	24.15
Contract	109	6.54	1.95	62.32	29.18
Broker	10	6.10	1.00	53.30	39.60
All Types	231	6.09	1.62	63.26	27.20

TABLE 16

NUMBER AND PERCENT OF PROVIDERS COLLECTING CO-PAY*

Provider Type	Valid N	Number Collecting Co-Pay	Percent Collecting Co-Pay
Provider Agreement	111	65	58.6
Contracts	109	107	98.2
Brokers	10	9	90.0
All Types	230	181	78.7

* Response on item 3 shows some co-pay collected in FY 1985

TABLE 17

TOTAL CO-PAY COLLECTED BY PROVIDER TYPE

Provider Type	Valid N	Total Amount
Provider Agreement	111	$ 62,023.11
Contract	109	3,100,551.84
Broker	10	457,529.74
All Types	230	$3,620,104.69

TABLE 18

TOTAL AMOUNT OF CO-PAY COLLECTED
DURING FY 1985 (ALL CASES)

PROVIDER TYPE	MEAN	STD. DEV.	VALID N
Provider Agreements	558.77	1,195.93	111
Contracts	28,445.43	46,909.43	109
Brokers	45,752.97	41,198.67	10
All Types	15,739.59	36,311.19	230

TABLE 19

AVERAGE WEEKLY CO-PAY
AMOUNT PAID PER FAMILY (ALL CASES)*

PROVIDER TYPE	MEAN	STD. DEV.	VALID N
Provider Agreements	6.76	8.78	105
Contracts	12.94	6.26	108
Brokers	13.05	6.72	10
All Types	10.04	8.15	223

* Includes responses of $0 for the average weekly co-pay amount

TABLE 20

RESPONSE SUMMARY FOR ITEM 4, OPINION ON EFFECTS OF CO-PAY ON ATTENDANCE

Response Option	Provider Agreements Valid N = 102 Freq.	Percent	Contracts Valid N = 108 Freq.	Percent	Brokers Valid N = 10 Freq.	Percent	All Types Valid N = 220 Freq.	Percent
Has No Effect	63	61.8	38	35.2	4	40.0	105	47.7
Reduces Absences Significantly	16	15.7	24	22.2	2	20.0	42	19.1
Reduces Absences Slightly	14	13.7	36	33.3	4	40.00	54	24.5
Increases Absences	9	8.8	10	9.3	0	0.00	19	8.6

TABLE 21

PERCENT OF NON-HOLIDAY/CLOSING DHS-PAID UNITS
ACTUALLY ATTENDED BY CO-PAY COLLECTION STATUS

	ATTENDANCE		
Co-Pay	Mean	Std. Dev.	N
Not Collected	88.92	10.60	49
Collected	87.45	7.07	181
All Cases	87.63	7.94	230

Missing Cases = 9 (3.8%)

ANALYSIS OF VARIANCE

Source	Sum of Squares	D.F.	Mean Square	F	Significance
Between Groups	27.0921	1	27.0921	.4289	.5132
Within Groups	14402.7514	228	63.1700		

TABLE 22

AVERAGE WEEKLY CO-PAY AMOUNT PER FAMILY AND PERCENT
OF NON-HOLIDAY/CLOSING DHS UNITS ACTUALLY ATTENDED

Provider Type	Correlation	N	Probability
Provider Agreement	.0551	105	.288
Contracts	-.0214	108	.413
Brokers	.2095	10	.281
All Types	-.0441	223	.256

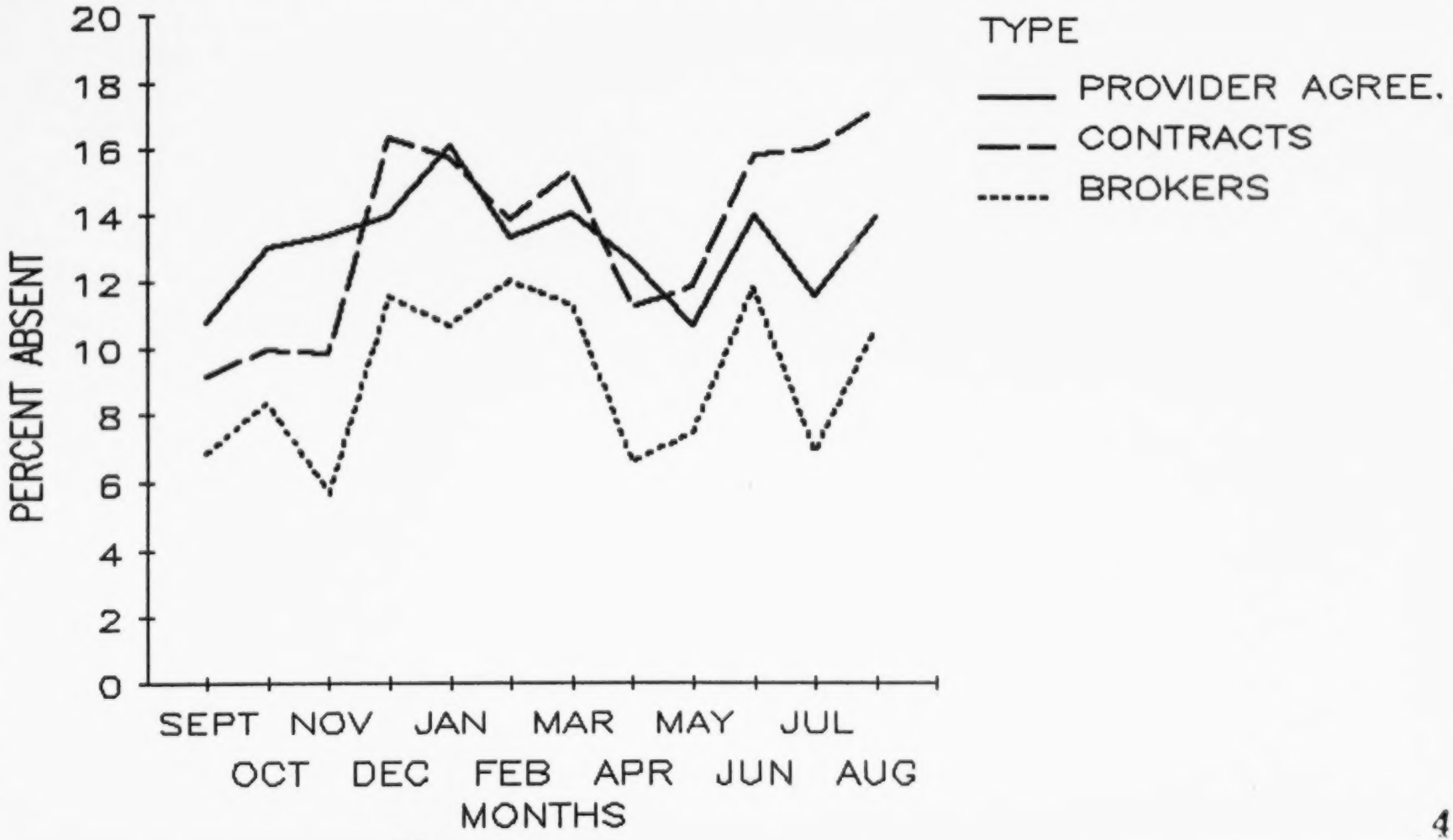
Table 23
PERCENT ABSENTEEISM* BY REGION AND MONTH FOR EACH PROVIDER TYPE

Region	Provider Agreements	Contracts	Brokers	All Types
01	-----	18.01	14.62	17.51
02	-----	18.35	13.74	17.53
03	7.14	10.41	-----	10.27
04	7.08	14.63	-----	14.23
05	14.42	14.31	12.35	13.94
06	13.64	11.85	-----	11.93
07	9.42	14.70	8.60	13.08
08	11.83	13.51	-----	13.35
09	15.38	13.44	16.22	13.85
10	11.06	13.35	-----	13.20
11	8.15	10.52	7.71	8.73
12	11.78	19.34	-----	18.46
Month				
September	10.77	9.13	6.80	8.87
October	12.98	9.93	8.32	9.89
November	13.38	9.80	5.67	9.36
December	13.95	16.26	11.50	15.17
January	16.03	15.71	10.67	14.87
February	13.32	13.82	11.99	13.47
March	14.02	15.28	11.27	14.50
April	12.58	11.22	6.58	10.54
May	10.62	11.80	7.41	10.93
June	13.96	15.75	11.79	14.92
July	11.51	15.93	6.82	13.96
August	13.88	17.11	10.57	15.60
TOTAL	13.09	13.44	9.11	12.66

* Percent Absenteeism = $100\% - \left[\left(\frac{\text{Total Attended Units}}{\text{(Total Units - Holiday Units)}}\right) \times 100\right]$

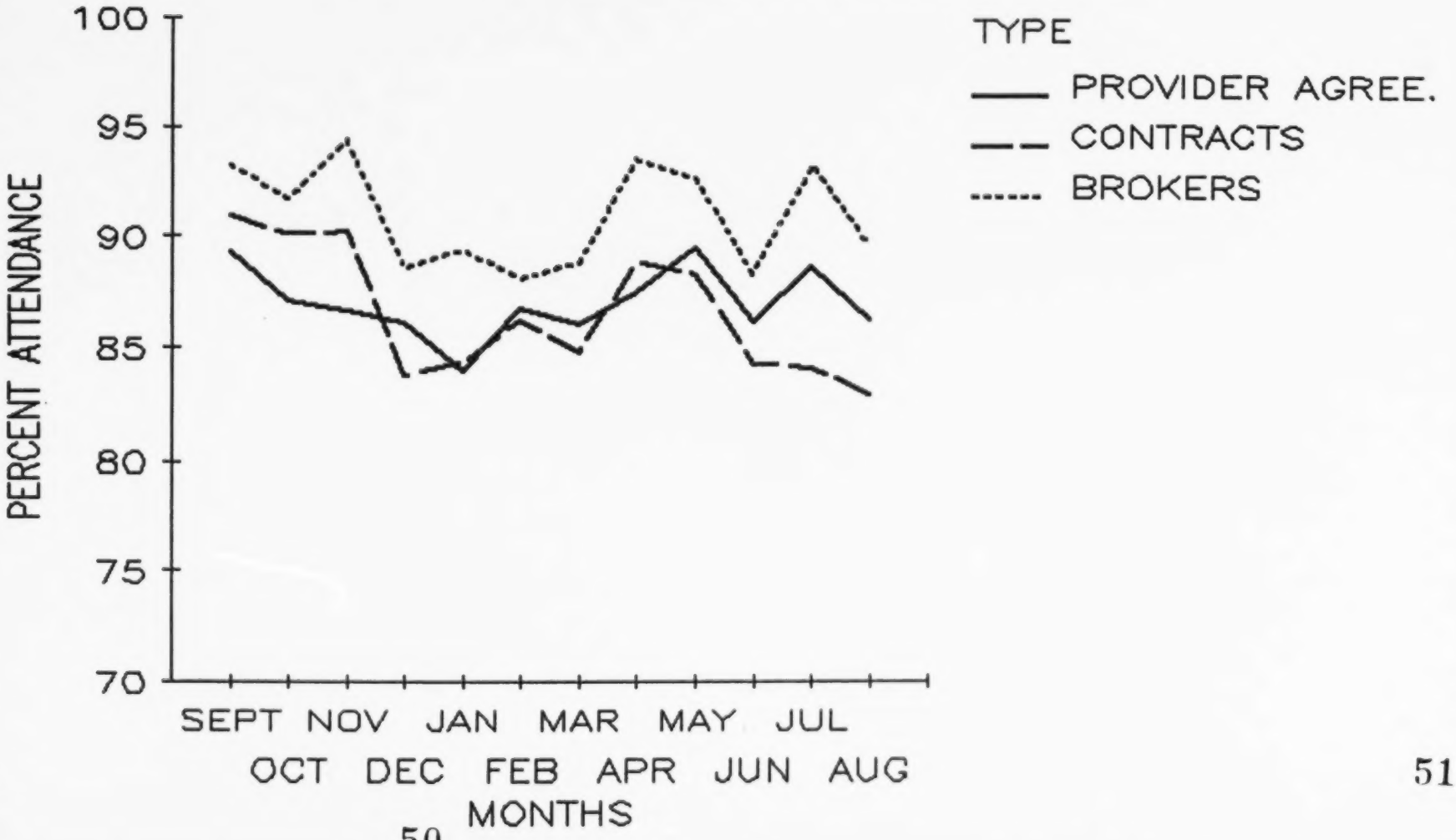
Appendix B
Chart 1

ABSENTEEISM BY PROVIDER TYPE AND MONTH WITH HOLIDAYS EXCLUDED



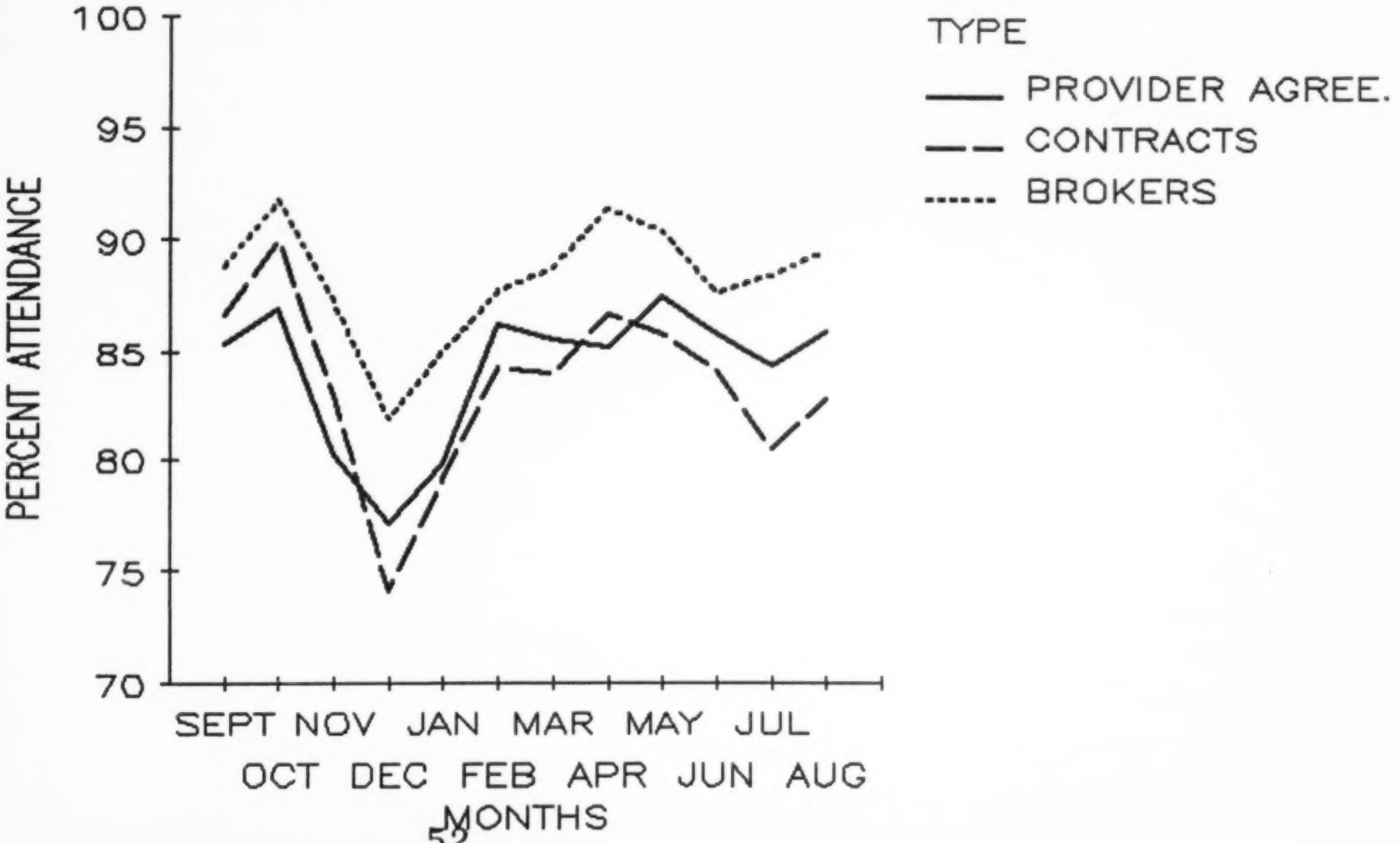
Appendix B
Chart 2

ATTENDANCE BY PROVIDER TYPE AND MONTH WITH HOLIDAYS EXCLUDED



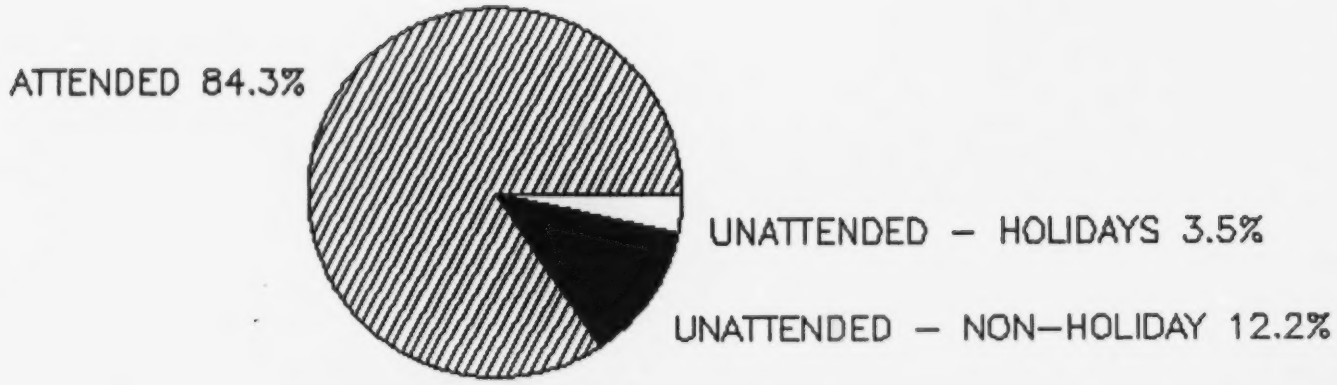
Appendix B
Chart 3

OVERALL ATTENDANCE BY PROVIDER TYPE AND MONTH



Appendix B
Chart 4

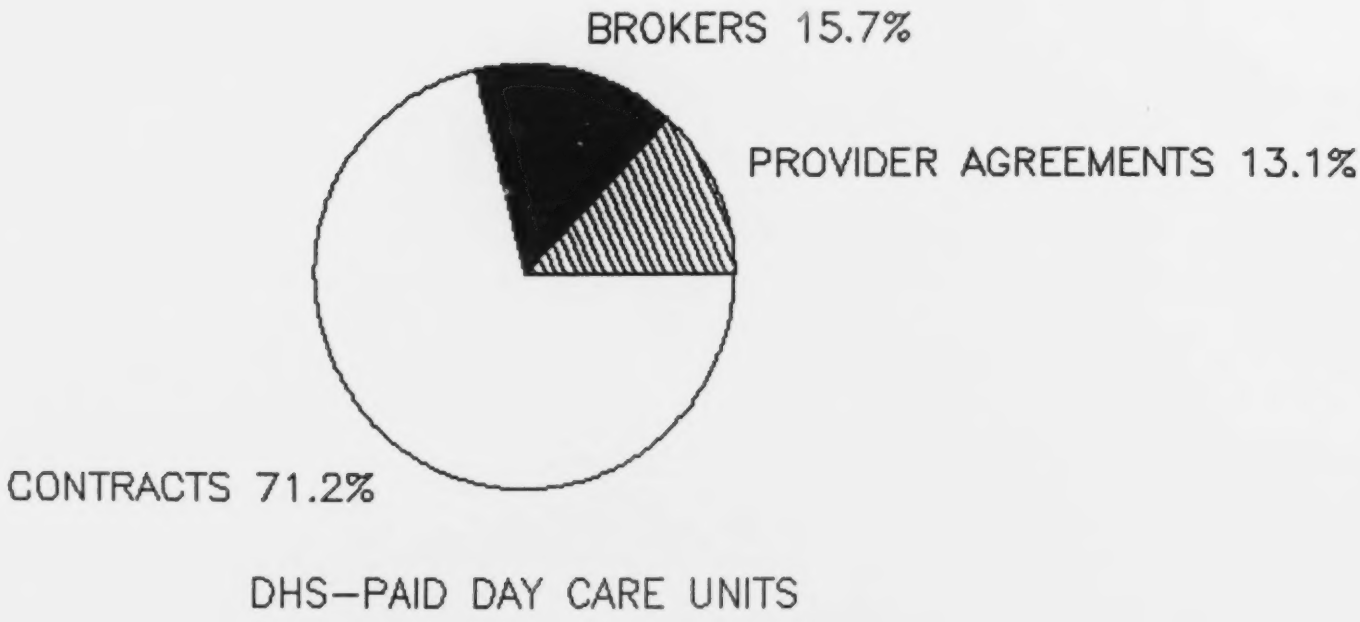
SUMMARY OF SURVEY DATA ON DAY CARE ATTENDANCE FOR FY 1985



DHS–PAID DAY CARE UNITS

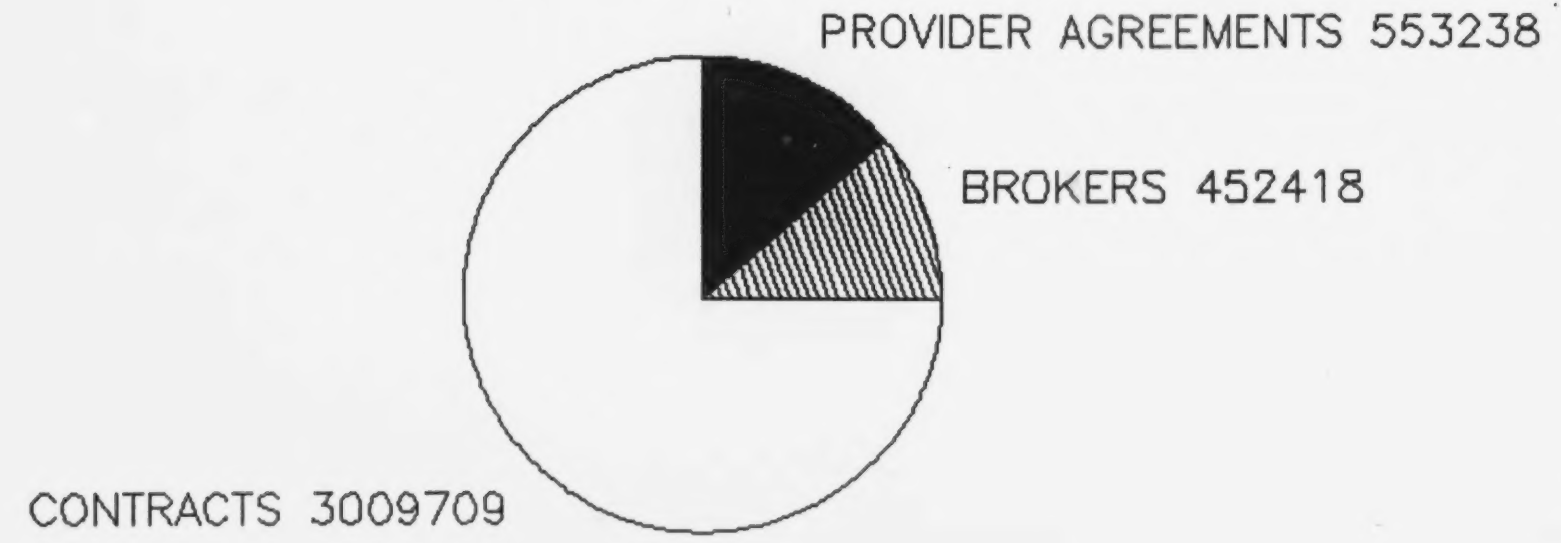
Appendix B
Chart 5

TOTAL DHS–PAID DAY CARE UNITS IN FISCAL YEAR 1985 BY PROVIDER TYPE



Appendix B
Chart 6

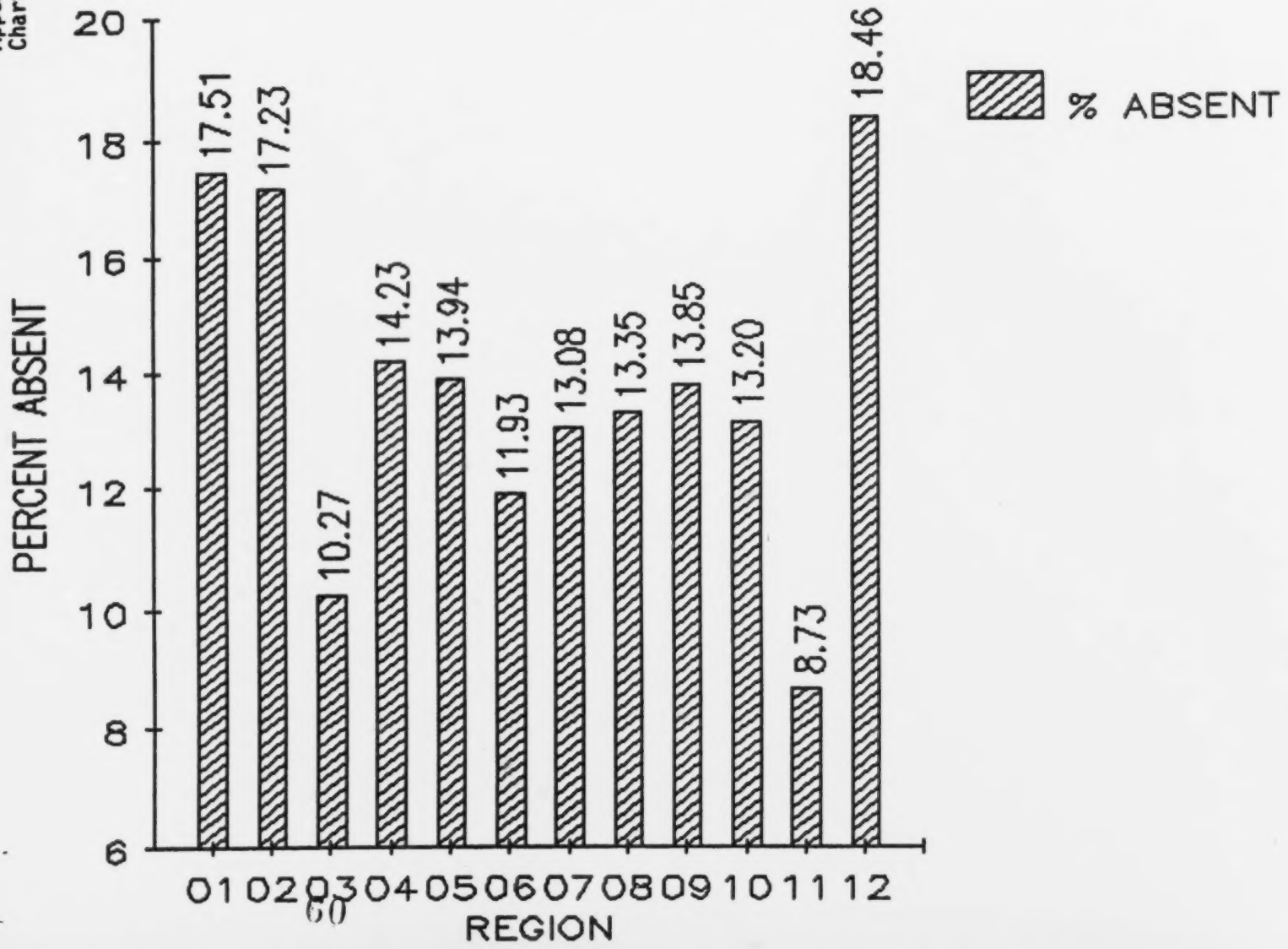
TOTAL ESTIMATED COST FOR NON-HOLIDAY ABSENCES IN FY 1985 DHS-PAID DAY CARE BY PROVIDER TYPE



COST FOR NON-HOLIDAY ABSENCES

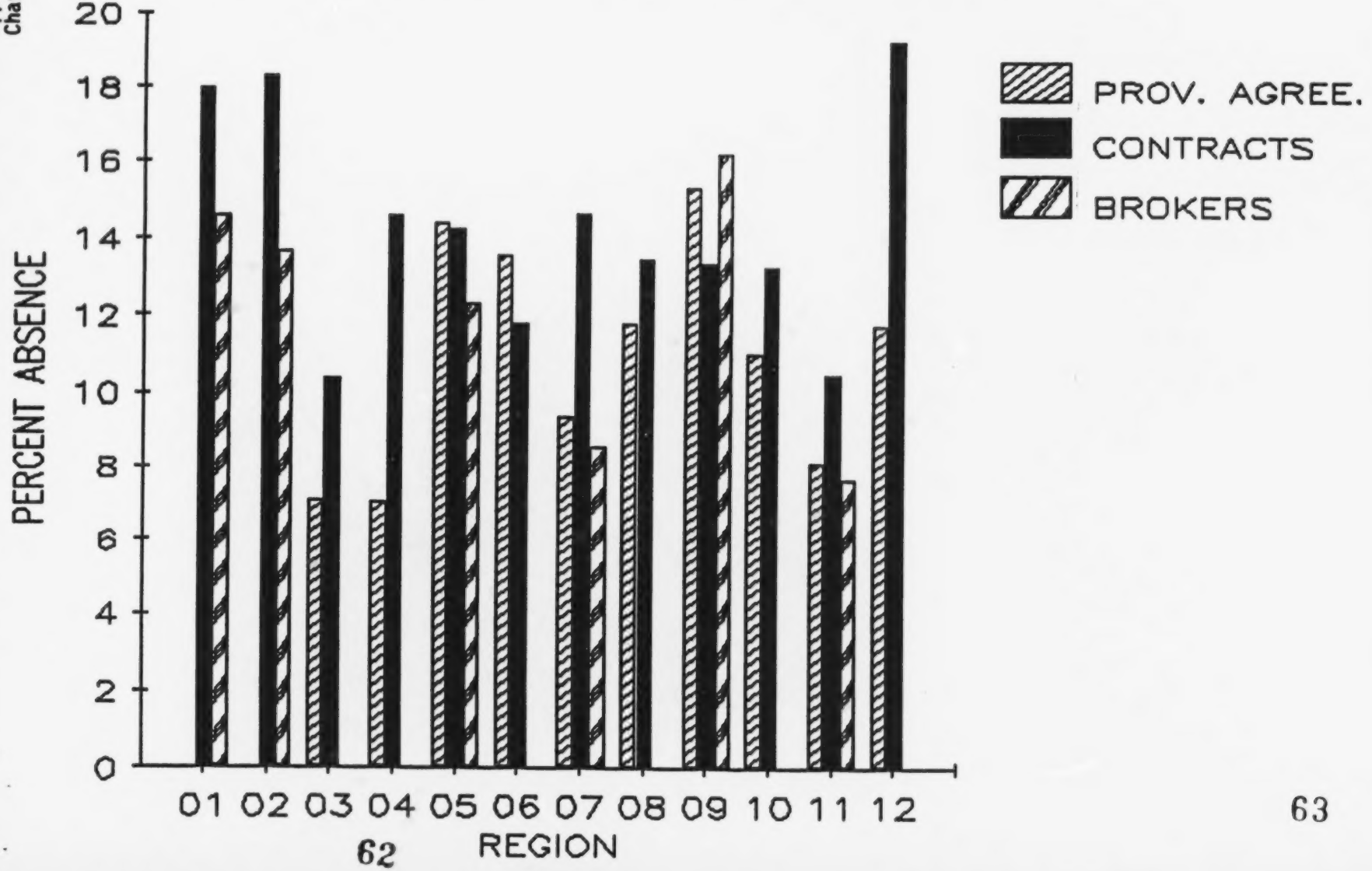
Appendix B
Chart 7

ABSENTEEISM WITH HOLIDAYS EXLUDED, BY REGION



Appendix B
Chart 8

ABSENTEEISM WITH HOLIDAYS EXCLUDED BY REGION AND PROVIDER TYPE



Texas Department of Human Services

John H. Winters Human Services Center • 701 West 51st Street
Mailing Address: P.O. Box 2960 • Austin, Texas 78769

COMMISSIONER
MARLIN W. JOHNSTON

BOARD MEMBERS
J. LIVINGSTON KOSBERG
Chairman, Houston
VICKI GARZA
Corpus Christi
SIDNEY STAHL
Dallas

August 8, 1986

Dear Day Care Program Supervisor:

I am writing you to request urgently needed information that only you can provide. The Legislative Budget Board (LBB) has requested information about the utilization rate of child care paid for by DHS in fiscal year 1985 (September 1, 1984 through August 31, 1985) as part of its review of funding for day care services. A special survey is necessary because DHS does not routinely collect the information required. In order for us to provide the results of the survey to the LBB in the timeframe specified, your response must be mailed by August 26, 1986.

A questionnaire for you to complete is attached to this letter. You may receive more than one questionnaire. If so, complete a separate questionnaire for each contract or provider agreement number (numbers are shown on the labels).

Complete questionnaires for each type of delivery system as described below:

- A pink questionnaire to report DHS-paid units delivered under a provider agreement
- A white questionnaire to report DHS-paid units delivered in day care homes and centers operated by your agency under a non-broker contract.
- A yellow questionnaire to report DHS-paid units delivered under a broker contract.

We regret the inconvenience that this survey will cause. However, this information is critical to the DHS day care funding request for fiscal years 1988 and 1989. It is of utmost importance that you respond to this request and mail your response no later than August 26, 1986 to:

Administrative Management Resources Division, 524-E
Texas Department of Human Services
Post Office Box 2960
Austin, Texas 78769

An Equal Opportunity Employer

For your convenience a postage-paid envelope is enclosed. If you have questions, please contact Glenn Larimore at (512) 450-4174.

Sincerely,

Joan M. Reeves

Joan M. Reeves
Assistant Commissioner
Family Self-support Services

Attachment

TEXAS DEPARTMENT OF HUMAN SERVICES

CHILD CARE UTILIZATION REPORT
(Title XX – Fiscal Year 1985)

GENERAL INSTRUCTIONS: For the contract/agreement listed at left, enter information in every blank shown below. All questions apply to FY 1985 (Sept. 1, 1984 through Aug. 31, 1985). Please use the back of the form or attach additional sheets to comment, explain responses, or provide other information that should be considered.

1. In the chart at right enter units (days) for each month and total for all three columns.

   Units (days) refer to full days. Use only full day equivalents. If half-day units were provided, multiply the number by .65 to convert them to full days.

   Enter the number of units (enrollment days) paid for by DHS in column A.

   In column B, enter the number of the paid enrollment units in column A that were for holidays and approved closings.

   Enter in column C the number of actual attendance units (days). Attendance units are those days (full day equivalents) on which the children whose care was paid by DHS were present in the facility(ies).

   Enter zeros in spaces if no units were delivered.

MONTH/YEAR	NUMBER OF UNITS (days) PAID BY DHS		
	A DHS Paid Units (enrollment days)	B Units on Holidays and Approved Closings	C ACTUAL NUMBER OF ATTENDANCE DAYS
Sept. 1984			
Oct. 1984			
Nov. 1984			
Dec. 1984			
Jan. 1985			
Feb. 1985			
Mar. 1985			
Apr. 1985			
May 1985			
June 1985			
July 1985			
Aug. 1985			
TOTAL			

2. Estimate the percentages of absences caused by each of the following:

Up to Four days for Drops Without Notice: ▷ %	10 or 12 Days Appeal Period When Care Denied: ▷ %	Illness of the Child or Family: ▷ %	Other/ Unknown: ▷ %	TOTAL 100%

3. Estimate the following co-pay information for DHS priority 3 (food stamp) and 4 (other income eligible) families:

Total Amount of Co-pay Collected During FY 1985: ▷ $	Percentage of Priority 3 & 4 Families That Paid Co-pay: ▷ %	Average Weekly Co-pay Amount Paid per Family: ▷ $

4. In your opinion, which of the following best describes the effect of co-pay on the attendance of enrolled children (check only one):

☐ A. No Effect ☐ B. Reduces Absences Significantly ☐ C. Reduces Absences Slightly ☐ D. Increases Absences

5. During FY 1985, how many units (enrollment days) do you estimate were eligible for DHS payment but were not billed by your facility/agency? ..... Units

CERTIFICATION: (Complete and accurate information and full disclosure of limitations is required. If estimates are used they must be identified as such. Documentation to support responses must be maintained and is subject to audit or review by the department.) I hereby certify that I am the authorized representative of the above discribed provider and that to the best of my knowledge this Fiscal Year 1985 Child Care Utilization Report is true, correct, and complete and is prepared in accordance with the instructions except as noted.

Signature–Authorized Representative _____ Date _____

Name	Title	Telephone No. (inc. A/C)

8-86

COMMENTS, EXPLANATIONS, OR OTHER INFORMATION:

- For information not contained in the instructions, telephone the Day Care and Child Development Section of the Texas Department of Human Services at (512) 450-4174.
- Mail the completed report in the enclosed self-addressed envelope by August 26, 1986 to:

Texas Department of Human Services
Administrative Management Resources Division 524-E
P.O. Box 2960
Austin, TX 78769

- PLEASE KEEP A COPY OF THE COMPLETED REPORT FOR YOUR RECORDS!

MEMORANDUM

TEXAS DEPARTMENT OF HUMAN SERVICES

SUBJECT: Child Care Utilization Survey for Fiscal Year 1985

TO:

Regional Directors for
Family Self-support Services
Regional Directors for
Purchase of Service

FROM:

Joan M. Reeves
Assistant Commissioner
Family Self-support Services
State Office 521-E

DATE: August 8, 1986

FSSB #86-23

All day care providers are being surveyed to gather fiscal year 1985 child care utilization information. This survey is being conducted in response to the Legislative Budget Board's (LBB) request for information regarding absences in DHS subsidized day care. Provision of this information to the LBB is critical to the DHS day care funding request for fiscal years 1988 and 1989.

The attached letter and survey instrument are being mailed to providers on August 8, 1986, and must be mailed back to the Administrative Management Resources Division by August 26, 1986.

Some providers will receive more than one questionnaire. If they do, they are to complete one questionnaire for each contract or provider agreement number (the numbers are shown on the questionnaire labels). Questionnaires to be completed for each type of delivery system are:

- A pink questionnaire to report DHS-paid units delivered under a provider agreement.
- A white questionnaire to report DHS-paid units delivered in day care homes and centers under a non-broker contract.
- A yellow questionnaire to report DHS-paid units delivered under a broker contract.

Child development specialists working with provider agreement day homes should be prepared to give them special assistance in completing the questionnaire.

AN EQUAL OPPORTUNITY EMPLOYER

The questionnaire is designed to collect information on all children receiving DHS-paid day care during the period September 1, 1984 through August 31, 1985. Small contractors should be able to do 100% reporting with relatively little difficulty. Large providers who feel they must sample instead of providing 100% reporting must have their sampling methodology approved by August 19, 1986. Glenn Larimore, 512-450-4174 (STS 887-4174), is the contact person for questions and approval of the plans for sampling.

Joan M. Reeves

Attachments

cc: Verna Mainprize, 500-W
Terry Trimble, 700-W
Ed Grant, 190-E
Thomas Owens, 509-E
Glenn A. Scott, 170-W
Robert McMullan, 190-E
Bob Ambrosino, 524-E
Ellen Skinner, 523-E
Charles Martin, Ph.D, 524-E
Marian Monroe, Ph.D, 523-E
Bennie Stasny, 700-W
Child Development Specialists
Contract Managers for FSS
Program Directors for FSS/Contracts
Regional Attorneys
Regional Administrators

MEMORANDUM

TEXAS DEPARTMENT OF HUMAN SERVICES

SUBJECT: Child Care Utilization Survey for Fiscal Year 1985

TO:

Regional Directors for
Family Self-support Services
Regional Directors for
Purchase of Service

FROM:

Joan M. Reeves
Assistant Commissioner
Family Self-support Services
State Office 521-E

DATE:
August 15, 1986

The Fiscal Year 1985 Child Care Utilization Survey was mailed to day care providers on August 8, 1986. Preliminary returns indicate that a high percentage of incorrect information is being entered, particularly in item 1. Since the survey is being conducted in response to the Legislative Budget Board's (LBB) request for information regarding absences in DHS subsidized day care, I am requesting your assistance in assuring that this information is accurate.

An example of a correctly completed report form is attached for your information. As noted above the major problems appear to be in the units reported in item #1. The most common errors are:

- Column A. - Days of operation are entered for each month rather than the enrollment days (DHS paid units).

- Column B. - The numbers of holidays observed each month are entered rather than the number of paid units on the holidays. (Using the example of a provider who closed for Labor Day, if there were 100 DHS subsidized children enrolled on Labor Day the correct answer for September should be 100. If a provider has closed more than one day in a month, the numbers of enrolled children on each of the days are added together to yield the units for the month.)

- Column C. - Numbers greater than or uniformly equal to the number of enrollment days have been entered. This indicates that respondents are not entering the actual attendance days (or else are not charging DHS for absent days).

We appreciate the assistance that many contract managers and child development specialists are already giving to providers who have asked for assistance in completing the survey. We also realize that contracts are being renewed this month and that regional staff are very busy: however, we need more help (based on early responses to the survey). Although many providers will not have problems completing the survey correctly, some definitely will. Your staff can probably identify them from experiences with billing and other forms.

AN EQUAL OPPORTUNITY EMPLOYER

Please have your staff contact those providers that they feel are likely to have difficulty completing the survey correctly and offer assistance. By helping providers understand the survey questions before they send in the survey, your staff can ensure that the findings are valid. This will greatly enhance the reliability of the data we will be reporting to the LBB.

Thank you for your continuing support in this important project.

Joan M. Reeves

Attachment

cc: Verna Mainprize-Phifer, 500-W
Terry Trimble, 700-w
Bob Ambrosino, 524-E
Ellen Skinner, 523-E
Program Directors for FSS/Contracts
Day Care Contract Managers
Child Development Specialists

EXAMPLE (See discussion on page 2)

TEXAS DEPARTMENT OF HUMAN SERVICES

CHILD CARE UTILIZATION REPORT
(Title XX – Fiscal Year 1985)

GENERAL INSTRUCTIONS: For the contract/agreement listed at left, enter information in every blank shown below. All questions apply to FY 1985 (Sept. 1, 1984 through Aug. 31, 1985). Please use the back of the form or attach additional sheets to comment, explain responses, or provide other information that should be considered.

1. In the chart at right enter units (days) for each month and total for all three columns.

   Units (days) refer to full days. Use only full day equivalents. If half-day units were provided, multiply the number by .65 to convert them to full days.

   Enter the number of units (enrollment days) paid for by DHS in column A.

   In column B, enter the number of the paid enrollment units in column A that were for holidays and approved closings.

   Enter in column C the number of actual attendance units (days). Attendance units are those days (full day equivalents) on which the children whose care was paid by DHS were present in the facility(ies).

   Enter zeros in spaces if no units were delivered.

MONTH/YEAR	NUMBER OF UNITS (days) PAID BY DHS		
	A DHS Paid Units (enrollment days)	B Units on Holidays and Approved Closings	C ACTUAL NUMBER OF ATTENDANCE DAYS
Sept. 1984	2,000	100	1,710
Oct. 1984	2,300	0	2001
Nov. 1984	2,200	200	1,600
Dec. 1984	2,070	297	1,401
Jan. 1985	2,250	98	1,743
Feb. 1985	2,000	0	1,700
Mar. 1985	2,100	0	1,785
Apr. 1985	2,200	0	1,870
May 1985	2,300	100	1,980
June 1985	1,954	0	1,563
July 1985	2,208	96	1,584
Aug. 1985	2,000	0	1,580
TOTAL	25,582	891	20,517

2. Estimate the percentages of absences caused by each of the following:

Up to Four days for Drops Without Notice:	2 %	10 or 12 Days Appeal Period When Care Denied:	5 %	Illness of the Child or Family:	70 %	Other/ Unknown:	23 %	TOTAL 100%

3. Estimate the following co-pay information for DHS priority 3 (food stamp) and 4 (other income eligible) families:

Total Amount of Co-pay Collected During FY 1985:	$ 17,500	Percentage of Priority 3 & 4 Families That Paid Co-pay:	95 %	Average Weekly Co-pay Amount Paid per Family:	$ 9.00

4. In your opinion, which of the following best describes the effect of co-pay on the attendance of enrolled children (check only one):

☐ A. No Effect ☐ B. Reduces Absences Significantly ☒ C. Reduces Absences Slightly ☐ D. Increases Absences

5. During FY 1985, how many units (enrollment days) do you estimate were eligible for DHS payment but were not billed by your facility/agency? ..... Units: 0

CERTIFICATION: (Complete and accurate information and full disclosure of limitations is required. If estimates are used they must be identified as such. Documentation to support responses must be maintained and is subject to audit or review by the department.) I hereby certify that I am the authorized representative of the above discribed provider and that to the best of my knowledge this Fiscal Year 1985 Child Care Utilization Report is true, correct, and complete and is prepared in accordance with the instructions except as noted.

Signature — Signature of Authorized Representative

8/15/86 — Date

Name	Title	Telephone No. (inc. A/C)
First name, last name	Director 72	(512) 450-XXXX

8-86

COMMENTS, EXPLANATIONS, OR OTHER INFORMATION:

EXAMPLE

DISCUSSION OF RESPONSES

For a 100-space child care center under contract with typical enrollment, holidays, and attendance patterns the three columns would be completed as shown. The typical features these figures reflect are for each column:

A. The number of days each month varies from 20 to 23. Most contracts operate at or near capacity all year. The number of units each month roughly equals capacity × # of days in month.

B. No more than 9 paid holidays, with occasional closing in emergency. (Number of units on holidays roughly equals 9 × average enrollment.)

C. Attendance must be less than or equal to column A minus column C. Seasonal patterns usually mean each month is different, varying from 79% to 90% of non-holiday enrollment days; 100% attendance for a large number of children all month is extremely unlikely.

- For information not contained in the instructions, telephone the Day Care and Child Development Section of the Texas Department of Human Services at (512) 450-4174.
- Mail the completed report in the enclosed self-addressed envelope by August 28, 1986 to:

Texas Department of Human Services
Administrative Management Resources Division 524-E
P.O. Box 2960
Austin, TX 78769

- PLEASE KEEP A COPY OF THE COMPLETED REPORT FOR YOUR RECORDS!

MEMORANDUM

TEXAS DEPARTMENT OF HUMAN SERVICES

SUBJECT: Child Care Utilization Survey for Fiscal Year 1985

TO:

Regional Directors
for Family Self-Support

Program Directors
for Purchase of Service

FROM:

Ellen Skinner
Administrator
Family Support Resources Division
State Office 523-E

DATE: August 25, 1986

Staff analysis of early returns of the Child Care Utilization Report (CCUR) for Fiscal Year 1985 indicate a high volume of incorrect responses.

The attached letter was prepared to identify errors and clarify problem areas for providers. Incorrect items are noted in the letter, and it is sent to the provider with:

- a copy of CCUR originally submitted
- a new CCUR Form
- an example of how the form should be completed
- a preaddressed postage paid envelope.

We appreciate your assistance with the survey. Please call Marian Monroe at STS 887-4167 or Glenn Larimore at STS 887-4174 if you need additional information.

Ellen Skinner

Attachments

AN EQUAL OPPORTUNITY EMPLOYER

SUBJECT: Child Care Utilization Report (Title XX - Fiscal Year 1985)

TO:

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

FROM:

Texas Department of Human Services
Administrative Management
Resources Division 524-E
Post Office Box 2960
Austin, Texas 78769

_____, 1986

Dear Provider:

Thank you for your prompt response to the FY 1985 Child Care Utilization Survey. Your report has been carefully reviewed and the items checked below must be corrected before the information can be used (see attached copy). Please enter the correct information on the enclosed blank report form and mail it to the above address in the enclosed envelope no later than _____, 1986. Your continued cooperation is very much appreciated.

_____ On Item 1, Column A, the number of days of operation seems to be entered, instead of the number of units paid for by DHS.

_____ On Item 1, Column B, the number of holidays seem to be entered rather than the number of units paid for by DHS on holidays and closings.

_____ On Item 1, Column C, the number of attendance days reported exceeds the number of billed units. Refer to actual attendance records.

_____ On Item 1, Column C, the number of attendance days reported seems to be the number of days in the period, not actual total attendance of DHS paid children. Refer to actual attendance records.

_____ On Item 2, the reasons do not total 100%.

_____ On Item 3, the figures reported are not consistent. Please review and correct.

_____ On Item 4, there was no response. Please give your opinion.

_____ On Item 5, no entry was made. Please estimate number of units provided to DHS eligible clients in FY 85 for which your agency did not bill DHS. (If no unbilled units were provided, enter a zero.)

_____ Other: _____
_____
_____

Appendix C
Item 5

PROVIDER AGREEMENT

EXAMPLE

(See discussion on page 2.)

TEXAS DEPARTMENT OF HUMAN SERVICES

CHILD CARE UTILIZATION REPORT
(Title XX – Fiscal Year 1985)

GENERAL INSTRUCTIONS: For the contract/agreement listed at left, enter information in every blank shown below. All questions apply to FY 1985 (Sept. 1, 1984 through Aug. 31, 1985). Please use the back of the form or attach additional sheets to comment, explain responses, or provide other information that should be considered.

1. In the chart at right enter units (days) for each month and total for all three columns.

   Units (days) refer to full days. Use only full day equivalents. If half-day units were provided, multiply the number by .65 to convert them to full days.

   Enter the number of units (enrollment days) paid for by DHS in column A.

   In column B, enter the number of the paid enrollment units in column A that were for holidays and approved closings.

   Enter in column C the number of actual attendance units (days). Attendance units are those days (full day equivalents) on which the children whose care was paid by DHS were present in the facility(ies).

   Enter zeros in spaces if no units were delivered.

MONTH/YEAR	NUMBER OF UNITS (days) PAID BY DHS		
	A DHS Paid Units (enrollment days)	B Units on Holidays and Approved Closings	C ACTUAL NUMBER OF ATTENDANCE DAYS
Sept. 1984	357	18	298
Oct. 1984	460	0	400
Nov. 1984	440	40	320
Dec. 1984	420	60	240
Jan. 1985	460	20	352
Feb. 1985	400	0	340
Mar. 1985	360	0	306
Apr. 1985	364	0	310
May 1985	368	16	317
June 1985	279	0	220
July 1985	302	13	217
Aug. 1985	280	0	224
TOTAL	4,490	167	3,544

2. Estimate the percentages of absences caused by each of the following:

Up to Four days for Drops Without Notice:	0 %	10 or 12 Days Appeal Period When Care Denied:	0 %	Illness of the Child or Family:	90 %	Other/ Unknown:	10 %	TOTAL 100%

3. Estimate the following co-pay information for DHS priority 3 (food stamp) and 4 (other income eligible) families:

Total Amount of Co-pay Collected During FY 1985:	$ 200.00	Percentage of Priority 3 & 4 Families That Paid Co-pay:	90 %	Average Weekly Co-pay Amount Paid per Family:	$ 9.00

4. In your opinion, which of the following best describes the effect of co-pay on the attendance of enrolled children (check only one):

☒ A. No Effect ☐ B. Reduces Absences Significantly ☐ C. Reduces Absences Slightly ☐ D. Increases Absences

5. During FY 1985, how many units (enrollment days) do you estimate were eligible for DHS payment but were not billed by your facility/agency? ..... Units 0

CERTIFICATION: (Complete and accurate information and full disclosure of limitations is required. If estimates are used they must be identified as such. Documentation to support responses must be maintained and is subject to audit or review by the department.) I hereby certify that I am the authorized representative of the above discribed provider and that to the best of my knowledge this Fiscal Year 1985 Child Care Utilization Report is true, correct, and complete and is prepared in accordance with the instructions except as noted.

Signature — Signature of Authorized Representative

8/20/86 — Date

Name	Title	Telephone No. (inc. A/C)
First & last name	Director 76	(512) 450-XXXX

9-86

Discussion of example responses

The responses are typical of a 100-space child day care center under provider agreement with from 10 to 20 DHS-subsidized children enrolled at any time. Attendance of the DHS subsidized children averages 82% of enrollment over the year, but it fluctuates from month to month. The center observes 9 holidays. The number of units provided to DHS-subsidized children on the holidays is reflected in column B.

- For information not contained in the instructions, telephone the Day Care and Child Development Section of the Texas Department of Human Services at (512) 450-4174.
- Mail the completed report in the enclosed self-addressed envelope by August 26, 1986 to:

Texas Department of Human Services
Administrative Management Resources Division 524-E
P.O. Box 2960
Austin, TX 78769

- PLEASE KEEP A COPY OF THE COMPLETED REPORT FOR YOUR RECORDS!

REFERENCES

Haac, L. Report on day care and illness. Developments, 1986, 11, 1-2.

Thompson, L. A study of day care Volume III: Cost and Quality Issues for Operators. Washington, D.C.: National Center for Educational Communication and the Office of Economic Opportunity, 1971. (ERIC Document Reproduction Service No. ED 051 912)

United States Senate Committee on Finance. Child Care Data and Materials. Washington, D.C.: U.S. Government Printing Office, 1977.

Wasson, J., letter on Day Care Program Survey. Department of Social and Health Services, State of Washington. September 1986.

REFERENCE NOTES

1. Cooper, G. Personal communication, September 29, 1986.
2. Stover, J. Personal communication, October 1, 1986.
3. Hutfield, K. Personal communication, October 1, 1986.
4. Spahr, P. Personal communication, October 2, 1986.
5. Wasson, J. Personal communication, September 30, 1986.
6. Finn, S. Personal communication, October 3, 1986.